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3 October 1990

NOTICE TO READERS: Beginning 4 October 1990, the GERMAN DEMOCRATIC REPUBLIC section of both the East Europe DAILY REPORT and the East Europe JPRS REPORT will cease publication. Also on that date, the FEDERAL REPUBLIC OF GERMANY section of the West Europe DAILY REPORT will be renamed GERMANY. The GERMANY section of the West Europe DAILY REPORT will include material previously published under the FRG, GDR, and German Unification rubrics, as well as material previously found in the GERMAN DEMOCRATIC REPUBLIC section of the East Europe JPRS REPORT.

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HUNGARY

First 100 Days: Digest of Antall Cabinet Actions

90CH0437A Budapest MAGYAR HIRLAP
in Hungarian 31 Aug 90 p 6

[Text] The following is a chronological listing of significant events and actions that took place during the first 100 days of the Antall cabinet. The listing is not necessarily complete.

MAY

22—Hungarian Democratic Forum [MDF] Chairman, and Designated Prime Minister Jozsef Antall presented his program for national renewal in Parliament.

23—Antall and his cabinet took the oath of office before the National Assembly, after electing Antall to become head of government and adopting the basic program principles by a margin of 218-126, with eight abstentions. The composition of the Antall cabinet was announced on 17 May. It includes eight ministers from the MDF, four from the Independent Smallholders, Agricultural Workers and Citizens Party [FKgP], three ministers with no party affiliations, and one from the Christian Democratic People's Party [KDNP]. Three of these were ministers without portfolio. After taking the oath of office the new cabinet held its organizing meeting. At this meeting decisions were reached concerning the establishment of the economic and national security cabinets, the organizing of an interministerial committee to streamline external economic tasks, and the dismissal of 14 ambassadors.

24—At the cabinet's first international press conference Antall requested that a 100-day grace period be granted by the press and opposition. Newly appointed political state secretaries were introduced at the press conference.

26—During his first trip abroad since taking office, Antall negotiated with West German Chancellor Kohl and de Maiziere, head of the East German government.

29—For the first time, a member of the new Hungarian government in the person of labor affairs minister Sandor Gyorivanyi paid a visit at the European Community.

30—On grounds of health conditions and age, a week after his appointment Ministry of Culture and Education State Secretary Istvan Meszaros [KDNP] resigned his office. A day later Janos Lukats, another KDNP member took his place.

31—The cabinet decided to submit to Parliament a law concerning general amnesty, and debated the first drafts of legislative proposals related to local autonomous governing bodies, and to the election of such bodies and of mayors. The cabinet decided to request the National Assembly to extend its session in order to create these laws, and assigned Minister of International Economic Relations Bela Kadar to represent Hungary at the CEMA

Council. Effective 1 June the cabinet discontinued the offices of government commissioners.

JUNE

4—The cabinet received Finnish Government Head Harri Holkeri, the first foreign prime minister guest to visit Budapest.

5—The National Assembly resolved that the prime minister become the authorized delegate of the Hungarian Republic to the Political Consultative Body [PTT] of the Warsaw Pact.

6—Ambassador to Bonn Istvan Horvath was assigned to represent Hungary simultaneously in Bonn and in Berlin.

7—“Hungary is initiating negotiations for the review of the Warsaw Pact Organization, and for our membership therein. Hungary deems discontinuation of military cooperation within the organization by the end of 1991 as desirable,” according to Antall at a Moscow conference of the Warsaw Pact PTT. As proposed by the Hungarian prime minister, the body approved plans to hold a November meeting of the PTT in Budapest.

—Foreign Minister Geza Jeszenszky spoke at the Paris general meeting of the West European Union.

7 [as published]—The cabinet placed the State Census Office under the supervision of the Interior Ministry.

12—The National Assembly adopted the general amnesty law affecting 3,000 convicts. This was the first legislative proposal to be submitted to Parliament by the cabinet.

—At a press conference Foreign Minister Jeszenszky presented a report on a cabinet proposal concerning the appointment of new Hungarian ambassadors.

14—The cabinet rendered a decision according to which taxes levied on mortgage interest payments would be reimbursed. Administrative state secretaries, whose appointment was left for last, took their oath of office, completing the roster of state administrative leadership.

22-23—Antall held negotiations in Paris.

25—Requesting urgent handling, the cabinet submitted to Parliament legislative proposals concerning autonomous governing bodies and the election of autonomous governing bodies.

29—NATO executive secretary Worner held negotiations with Jeszenszky in Brussels.

JULY

6—A decree was promulgated to regulate the salaries of state enterprise managers.

—Jozsef Botos was appointed to become director of the National Social Security Directorate.

POLITICAL

—Foreign Ministry divisions were reorganized so as to divide responsibilities solely on the basis of geographical considerations.

7-8—The cabinet held a working session at Balatonoszod to review issues related to government organization and work style.

10—Finance Minister Ferenc Rabar submitted to Parliament an action package concerning changes in the 1990 budget.

11—The cabinet recalled the proposed financial resolution submitted to Parliament and said that it would take the proposed action under its own authority.

13—An agreement was reached between the Ministry of Culture and Education and 35 churches and denominations concerning religious education. Providing religious education is a church function, according to the agreement, and the state would assist churches in this regard. Religious education teachers are not members of the faculty, and the fact that religious education was obtained must not be shown in school records.

16-17-18—Antall held negotiations in Brussels and met with NATO Executive Secretary Worner. The Hungarian prime minister handed a memorandum to Jacques Delors, summarizing Hungarian perceptions relative to joining the Common Market.

17—The cabinet appointed Istvan Ella to become president of the Phonograph Record Manufacturing Enterprise. Attila Bozay became the head of Filharmonia.

18—Parliament enacted a law to place the State Property Agency under cabinet supervision.

20—The cabinet decided to establish an Indemnification Office and appointed Minister Without Portfolio Gyula Kiss to head the Office.

22—Minister Without Portfolio Peter Boross took the oath of office. He will oversee the activities of the secret services.

24—Antall appointed the chairman and members of the board of directors of the State Property Agency. Minister Without Portfolio Ferenc Madl became chairman, Lajos Csepi became the managing director.

25—The cabinet appointed Jozsef Horti as president of the Newspaper Publishing Enterprise and of Pallas Newspaper and Book Publishers.

26—A government commission for privatization was established under the leadership of State Secretary Gyorgy Matolcsy. A decree was promulgated concerning the renewal of enterprise councils, and in regard to the new election of state enterprise managers to take place prior to 15 September.

31—At Antall's recommendation, provisional President of the Republic Arpad Goncz appointed Elemer Hankiss to become chairman of the Hungarian Television, and Csaba Gombar to become chairman of the Hungarian Radio.

Jozsef Csaradi was appointed to become president of the Hungarian State Railroads [MAV], and Tamas Deri to become president of the Hungarian Airlines [MALEV].

AUGUST

1—Antall spoke at the first summit meeting of the Adriatic-Danube Cooperation in Venice. Leading politicians from Austria, Czechoslovakia, Yugoslavia, Hungary and Italy took part at the meeting. As the Hungarian prime minister said: "As part of our national endeavors we will do everything possible to establish conditions for our full participation in the European integration processes and in Pan-European institutions."

2—The cabinet announced that it would initiate bankruptcy proceedings against seven industrial enterprises.

—The cabinet rendered a decision governing insurance protection against negligent operation of automobiles.

3—At a meeting held by the National Interest Mediation Council the government and interest groups agreed to raise the minimum wage to 5,600 forints. The new rate will be in effect beginning 1 September.

13—The cabinet announced a competition for the post of the president of the Hungarian News Agency [MTI].

16—The cabinet adopted guidelines for the development of its three year plan. Minister Bela Kadar was appointed to sign the overall agreement between the Committee of the European Community and Hungary concerning the "Phare" support program.

22—The cabinet's collection of theses concerning proprietary reform and privatization was completed. State Secretary Matolcsy, head of the economic policy committee [of the Office of the Prime Minister] reported its contents to the press.

23—The cabinet promulgated decrees concerning the establishment of an Office of National and Ethnic Minorities and regarding the function and authority of ministers without portfolio, and rendered a decision concerning the establishment of a Committee to Examine Unfair Advantages [JEVB].

27—The initial privatization laws related to the government's economic transformation program were placed before the National Assembly. These include legislative proposals concerning retail trade, the hospitality industry and consumer services.

Land Law: Political, Economic Critique Analyzed

90CH0435A Budapest MAGYAR HIRLAP
in Hungarian 24 Aug 90 pp 1, 3

[Report by—czauner, kamasz, pogany—: "Is Returning the Land Unconstitutional? The Old Burden May Be Carried by the New Owners"]

[Text] With approaching parliamentary debate, critique of the land law is on the increase. During the past several

weeks the various parties and agricultural interest groups concentrated their firepower on the principles of ownership rehabilitation. At this point the legislative proposal was transferred from the cabinet to the creators and originators of the idea "for a second look", and an increasing number of details suggest that the law cannot be implemented. Moreover, the law may be unconstitutional because of the proposed method of property distribution. We enlisted the help of experts to compare the more "delicate" provisions of the proposal.

According to the collection of theses entitled "Ownership and Privatization" released yesterday, the cabinet would not return the nationalized property of former owners of factories, plants, pharmacies, etc. It offers partial indemnification instead. From a legal standpoint it is questionable whether one kind of property—in the present case land, according to the cabinet's plans—can be returned, while another kind—shops, factories, restaurants, pharmacies—is not, even though both kinds of property were taken away from their owners at about the same time.

At the same time it is conceivable that a person, perhaps several persons, petition the Constitutional Court to examine the constitutionality of such limited return of property. Some persons may view return of exclusive property as unconstitutional because that would violate the equal opportunity provision of the Constitution. Thus far, however, no submission of this nature was received by the Constitutional Court relative to this issue.

Dr. Klara Furesz, a constitutional lawyer and docent at the Lorand Eotvos University of Sciences said that at the time nationalization took place, it was conducted largely pursuant to law. The old legal provisions would have to be voided before they return anything at this time, even land. A fully appropriate legal situation would exist only if the old legal provisions applicable to all nationalized property would be reviewed and voided. Except for the fact that in general the law serves political and economic endeavors, according to this lawyer. And precisely for this reason it is conceivable that only a few legal provisions will be voided, in this case the ones applicable to the nationalization of land. Unconstitutionality may be examined only in regard to a specific law that has been enacted. Thus, in the present case, an examination of unconstitutionality becomes conceivable if a law indeed provides that property other than land will not be returned. But the charge of unconstitutionality may be averted if the law provides that return of property will take place gradually, and that the rest of the property will be returned later.

The situation is the same in regard to indemnification. Unconstitutionality may be avoided if the government provides indemnification in lieu of compensation. But if the issues of returning property and providing indemnification are not fully clarified, some serious legal uncertainty may arise in the country.

Now that we took a look at legal arguments and counterarguments, let us review the economic considerations. Is it possible to return unencumbered land from large agricultural plants? This question arose a number of times while the legislative proposal concerning land was developed. Who will accept liability related to land? The original perception of the Smallholders is becoming shaky. According to that perception the state should assume all liabilities. According to the present legislative proposal liability would be transferred to the new owners. We inquired of Ministry of Finance Division Director Gabor Udovecz concerning the Ministry's position in principle. Udovecz said that the Finance Ministry called the attention of the legislative framers to the fact that the new land law cannot be adopted until such time that this issue is clarified. The state is in no position to agree to pay for these liabilities. At present, the total liability of large plants amounts to 145 billion forints. Of this amount 110 billion forints represent short term obligations. In the Finance Ministry's view this issue must be settled jointly by the new owners and by whatever remains of the large plants. It then follows that it would be advisable to adopt the new land law together with the new law on cooperatives.

It is unlikely that the adoption of the land law now being prepared would cause a decline in agricultural production, or perhaps a domestic food shortage, Dr. Andras Szentgyorgyi, a division director at the Prime Minister's Secretariat said, as he tried to dispel the related concern. He based his private opinion primarily on information he received. According to that information no word has been received thus far indicating that substantial areas of land will be reclaimed to the extent that the situation of large plants would be shaken. According to preliminary, informational assessments, significant areas of land are being reclaimed in Hajdu-Bihar, Bacs-Kiskun, Bekes and Csongrad counties, while a medium volume of claims may be expected in Szabolcs-Szatmar County. Expressed in numbers, the measure would involve a few hundred thousand hectares of land.

It is the determined intent of the cabinet that no new offenses and injustices take place in the course of privatization, the division director stressed. A situation like this may be ensured by the limited opportunity to reclaim land, and by the guarantees built into the law. According to these, the primary recipients of land will be owners who cultivate the land as their primary occupation, and others willing to make commitments concerning cultivation of their land. Beyond rehabilitation, the goal is not to have land left uncultivated in Hungary. When asked under what principles the new owners would accept liability related to their land, Dr. Szentgyorgyi said that the related provisions are being developed at present. In his view land privatization will be a slow process. Cooperatives, large plants and individual farms may coexist and operate peacefully, even for years.

Just how much land has been reclaimed thus far? A Ministry of Agriculture spokesman announced the other day that citizens have submitted claims for 340,000

hectares of land thus far. In this relation Andras Zsohar, secretary of the Agricultural Cooperators and Producers, explained that according to their information persons expressing an interest in land are not cooperative members and retired persons, but those who work and live elsewhere, or happen to stay abroad. Zsohar also said that a legal provision according to which cooperative members who own land that is part of a cooperative's common property may reacquire the whole or part of their land, has existed for several years. Despite this fact, only a small percentage of those entitled to do so actually took advantage of this opportunity. Asked why, Zsohar said that persons who live there and cultivate the land are well aware of the fact that the present pricing and credit system, as well the market opportunities, are not at all favorable, they are not sufficiently enticing to prompt those truly familiar with the cultivation of land to "appear in groups at the offices of producer cooperatives and request their land."

Speaking for the Alliance of Free Democrats [SZDSZ], national executive Balint Magyar does not even agree with the principle of indemnification. "They claim that persons whose land was taken away during the past decades suffered as a result. In the final analysis, if a sociologist were to analyze the fate of persons who left the villages—even if they were forced to do so—would find that they became part of the urban middle class. The past 30-40 years consisted of none other than the exploitation of villages and the regrouping of resources from villages to cities. Everyone is well aware of the fact that per capita development funds in villages amounted to 200 and some forints, while the same funds in Budapest amounted to 9,000 forints. My question is this: Having this sense of justice, how does the Smallholders Party figure out how much land area should be given to whom, together with the free-of-charge council apartments, and the low rent Budapest apartments? Villagers who stayed there even after the cooperative system, built houses paid for by their own money, and not from preferential loans. As a matter of punishment, will these funds be deducted from the land to which they are entitled? But should I go on listing what the Smallholders Party would do with owners of medium-sized estates or with relatively wealthy peasant farmers whose descendants became cooperative chairmen during the initial period of the cooperative movement? Is a penalty point going to be assessed for that? From the entire restoration system they picked out one: the land. And they drive that issue in the form of an absolute to the extreme. They do so because this issue can be understood easily from a partisan political standpoint. One could join a party which promised land in East Europe for the last time in 1945, and in every country that party was the Communist Party. Our studies in history show that the communist parties of Poland, Hungary and so on were the ones that distributed pamphlets one side of which could be used to join the party, while the other served to requisition land."

FKgP Names Sandor Racz of 1956 Fame To Become Lord Mayor of Budapest

90CH0438A Budapest MAGYAR HIRLAP
in Hungarian 31 Aug 90 p 4

[Excerpt] The Independent Smallholders, Agricultural Workers and Citizens Party [FKgP] nominated Sandor Racz to become lord mayor of Budapest, according to yesterday's announcement by Jozsef Torgyan at an FKgP press conference. The Smallholders hope that persons outside of parties and a broad strata of workers will line up in support of the 1956 leader of blue collar workers, and that these people will strengthen the base of the FKgP, even if only indirectly.

Torgyan praised Racz' past. In 1956, and during the period thereafter, Racz unceasingly proved his Hungarian patriotism as well as the fact that he would not betray ideals. "We have great anticipations as a result of Racz having agreed to perform this prestigious function. The blue collar worker strata have not moved, and we intend to bring them in motion in the national interest," Torgyan said.

"Society is intent on seeing that justice prevails. Those involved in 1956 were overly neglected during the past period, and it is to no one's benefit if a nation fails to appropriately respect its heroes. This is why I was nominated earlier to become president of the Republic, later as a National Assembly representative, and at this time as lord mayor of Greater Budapest," said Racz, chairman of the Greater Budapest Workers Council.

Racz explained that the workers council and the FKgP mutually discovered each other. Both organizations struggle for as broad a privatization as possible, and regard the ownership issue as the foundation of their respective programs. The FKgP is the only party which recognized the needs of these historic times, that people outside of parties should also become part of the societal concept [as published]. They are thinking of the Hungarian future in terms of a nation. The future weight of the party is indicated by the fact that at this time a person outside of the party will head the slate, Racz said. He stated his goals in a brief program speech. Above all he would like to alleviate concern about environmental pollution. He believes that it would be a good idea for the nation to get together and help the poor, and would like to prevent Budapest from becoming the capital of criminal elements. [passage omitted]

Possible MSZP-SZDSZ Merger Envisioned by Social Democrat

90CH0438B Budapest NEPSZABADSAG in Hungarian
1 Sep 90 p 7

[Interview with Gyorgy Fischer, associate at the Hungarian Public Opinion Research Institute and former vice chairman of the Social Democratic Party, by Peter Ranki; place and date not given: "Social Democrats May Look Forward To a Gloomy Future"]

[Excerpt] [passage omitted] [Fischer] But there may come about a party of the social democratic persuasion, even if they do not call it a social democratic party. This

could happen in two ways. The less likely candidate for this is the Hungarian Socialist Party [MSZP]. The other possibility: the Alliance of Free Democrats [SZDSZ], which is dragging, shifting, being pushed into a social democratic position, even if they live through this process with reluctance and denials. I see a greater chance for this to happen. And I would not rule out the possibility that a majority of the SZDSZ would merge with a minority of the present MSZP, and would form a left wing center party.

[Ranki] Do you believe that the right wing of the MSZP could strike up an alliance with the right wing SZDSZ....

[Fischer] ... Why do you regard the SZDSZ as right wing? I do not agree with that. In this regard the reform socialists suffered from night-blindness, perhaps they suffer from that even today. They did not recognize that the SZDSZ is fundamentally left-wing oriented.

[Ranki] What do you regard as left wing?

[Fischer] Political movements, parties, organizations which claim that there are no higher values than human rights, solidarity and social justice. In contrast right wing parties place national, religious and other values above these. Viewed from this vantage point the SZDSZ is clearly a left wing, or a left-of-center party.

[Ranki] There may be many opposite views in this regard.

[Fischer] I know. Obviously even within the SZDSZ ranks. But the self-definition of a party does not always accurately designate the actual position the party occupies.

[Ranki] Let's continue with the possibilities.

[Fischer] There is a chance that the social democratic ideal itself will disappear from Hungary, and that social liberalism will play its role, just as the social democratic parties in Western Europe are actually social liberals. The SZDSZ role is something like this. Social democracy may be eliminated also in another way, if its place is taken by populist socialism, one that is similar to the Greek Panhellenic Movement. This is not characterized by the ideological sophistication, the political moderation of social democracy, but by some nationalist Machiavellianism.... There is a wing like this in the MSZP.

[Ranki] Who belong to that wing?

[Fischer] Some noted politicians. Imre Pozsgay once said that the MSZP would not have to change into a Western type social democratic party, it should move toward a Latin style party. I have no problems with this idea if by this he meant French or Spanish style socialism. But what if the movement assumes Greek or Turkish characteristics? What if it approaches the profile of the Baath party of Iraq?

Smallholders Group Calls for Party Discipline, Moderation

Excerpt From Founding Document

90CH0439A Budapest MAGYAR HIRLAP
in Hungarian 29 Aug 90 p 3

[“Excerpt” from the founding document of the Circle To Protect the Constitution established within the Smallholders Party]

[Text] The Circle to Protect the Constitution established within the Independent Smallholders [Agricultural Workers and Citizen] Party [FKgP] intends to protect the national, centrist and progressive character of the party which has evolved historically, and to realize staid policies which always characterized the small proprietor strata and which were free of unprincipled compromise. Forcing the party to be swayed into extremes by haphazard conduct within the party, or by consciously distorting external qualifying statements is impermissible.

... A strict financial accounting and audit system, up-to-date bookkeeping is just as much part of a party's impeccable certificate of good moral conduct as is the accurate delineation of authority and responsibility to make organizational and individual decisions.

The founders of the Circle to Protect the Constitution reserve for themselves at all times the right to which every member of the party is entitled, to discuss and to criticize undesirable phenomena, and to do everything possible to eliminate such phenomena.

We intend to speak up against all extreme manifestations which endeavor to achieve exclusivity, against manipulations which make personal interests appear as party or public interest, and against misleading publications which report partial statements made by certain groups within the party as positions taken by the FKgP at the national level.

Supporting substantive, professionally well-founded statements made, and political actions taken by the national leadership of the FKgP and by groups of representatives in Parliament, including the preparation of background material, and winning the support of publicly known authoritative persons is an important task.

We hope that the FKgP may reacquire its old prestige if it fully enforces internal democracy, eliminates self-serving political improvisations, makes democratic selection processes prevail, provides for the healthy rotation of holders of positions, pursues staid, yet consistent principled policies, and engages in activities devoid of demagogic promises and lurking silence.

Clarifying Statement

90CH0439B Budapest MAGYAR HIRLAP
in Hungarian 29 Aug 90 p 3

[Interview with FKgP [Independent Smallholders, Agricultural Workers and Citizen Party] spokesman Miklos Omolnar, by L. Z. S.; place and date not given]

[Excerpts]

[L. Z. S.] [passage omitted] Members of your parliamentary faction, not just any member—the deputy faction leader, the organizer of the citizen branch, the spokesman, one of each of your ministers and state secretaries—established a new organization, the so-called Circle to Protect the Constitution.

[Omolnar] We are dealing with a circle only, we do not want to be a party within the party. The five of us defined this matter as intending to revive the party. We would like to catalyze and develop processes within the party which could make the FKgP [Independent Smallholders, Agricultural Workers and Citizen Party] more democratic. This Circle does not register members; accordingly, one cannot apply to the Circle to become a member. One may join by performing work and making statements in the spirit conveyed by our founding document. [passage omitted]

[L. Z. S.] Nevertheless the persons not part of your Circle are of interest. To mention just two prominent names: Party Chairman Ferenc Nagy and Faction Leader Jozsef Torgyan did not subscribe to the tenets of your Circle. [passage omitted]

Gloom and Doom on the Left: Communist Laments MSZP Situation

90CH0440A Budapest NEPSZABADSAG in Hungarian
27 Aug 90 pp 6-7

[Article by Tamas Krausz: "Was the Socialist Party Stillborn?"]

[Text] It has become evident by now that the Hungarian Socialist Party [MSZP] is not viable in its present form. Quite a few of us tried to breathe life into it, but apparently this was an almost superfluous attempt. The very circumstance that other parties which regard themselves as parts of the left also lack viability does not alter this bitter fact at all. Caricature parliamentarism with its own parties—byproducts of the disintegrating Hungarian Socialist Workers Party [MSZMP] and the party state—appear as more authentic than the left which has been discredited by "state socialism." (We are unable to discuss the related reasons in this writing.)

The MSZP [Hungarian Socialist Party] is an anachronistic phenomenon, just as the new MSZMP is. One of these parties was taken over by the liberal, narodnik-socialist wing of the fallen elite, while the other is occupied by the conservative wing. One of these parties is composed of the leftover team of the onetime "reform

communists." They changed their name to "reform socialist," a term that sounds better these days. But soon they will change their name again to the even better sounding "social liberal," if that name is more favorable from the standpoint of survival. The other party is composed of an orthodox "communist" group which prefers to call itself "workers." Both parties are identical from the standpoint that operations are conducted by cadres from the old state party. This fact acts to paralyze both parties. The MSZP does have a posture, it accepts from its past what it can, but in its heroic loneliness it is unable to produce any new ideas. In following the logic of "the factual situation is even worse," the MSZP is increasingly closing itself off. In a manner characteristic of small communities, MSZP organizations spend their time continuously justifying themselves, and repeat useless theoretical truths. Although there exists a younger, united force which seeks the way out, it has not reached the point of rejecting old dogmatics as a whole, which continues to survive in the MSZP as a peculiar compound of Stalinism and liberalism.

Compared to the MSZMP, the MSZP is undoubtedly at a disadvantage, because the fallen economic and political elite uses the MSZP merely as a tool in the process of implementing its strategy for survival. In reality the MSZP became a refuge party wearing a "salon socialist" robe. This forced many members to surrender their party membership. They have reached their limits of tolerance. This should reassure members of the party elite: Those who quit no longer "disturb" them.

The MSZP is the place where intellectual sects assemble. These sects advocate a social-democratic-populist-liberal-Christian-socialist ideology and are unable to grow roots in broader segments of society. (Apparently their failure to take root was not a result of the confusing multitude of ideologies, even though the party's starting thesis proclaimed that the MSZP was not an ideological party.)

The Social Democratic Party of Hungary [MSZDP] constitutes the third sect. In a manner similar to the MSZMP, it decided to pursue nostalgic dreams. And since nostalgic dreams may produce results in every party, except in parties whose name begins with the letters "soci," the MSZDP knocked itself out of the political arena the moment it was born. While the MSZP was at least suitable for creating illusions, the MSZDP was unable to fool anyone. Even its anticommunism proved to lack credibility, and this did not depend solely on the "grand lady" [Anna Petrasovits] who had little talent.

For quite some time now, leaders of the MSZP also wanted to renew themselves based on a less zealous form of anticommunism, but this form of excuse did not evoke favorable response anywhere. Positive responses overpowered the upper circles of the party elite instead. Some were attracted by Pozsgay's legacy and began moving toward the Hungarian Democratic Forum [MDF] in order to humanize that organization, while

others followed the zig-zags of Miklos Nemeth's career. Nemeth spoke the MDF language, followed the Alliance of Free Democrats [SZDSZ] economic policy, and to his misfortune, remained a member of the MSZP. Not to mention Matyas Szuros! For a long time one could not even tell whether he was an MSZP member at all. Some others at the May party congress tried to pass the SZDSZ on the right, asserting that they were the most authentic social liberals. And then there is that poor Ivan Vitanyi. He was robbed of an awful lot of time by "social democratizing" the MSZP, even though a majority of the membership was not able to follow his line of thought at all. Even those who recalled the real meaning of social democracy were astonished to find that the Horn-Pozsgay duo was unable to generate as many friendly feelings in Western social democratic circles as hoped for. Thus "social democratization" also proved to be a fiasco as a "search for a profile." At the May congress most delegates were not even capable of understanding that one cannot wade into the same river twice.... [Reference to the 1948 communist takeover of the social democratic party.]

The May congress made it unequivocally clear that the MSZP was also unable to get up on its feet from under the ruins of state socialism. The old party state structure for making politics survived virtually intact within the party. This was evidenced more clearly than anything else by the manner in which Gyula Horn organized the May congress practically behind the delegates' backs, using county party chairmen as intermediaries, and by punching below the belt, and knocking out the tired Rezso Nyers who wanted to leave anyway. The old leaders and the old camarilla politics of the past remained, and the survival mechanisms used to enlist a majority of the delegates behind the strongly depleted number of old leaders stayed in place. Unfortunately, the similarly depleted number of people in the apparatus also resumed its activities where it left off a long time ago. Power bargaining, petty coups and mediocre treachery served to hinder the possible growth of support, moreover, as compared to the membership roster of October, the number of members declined.

The fact that aside from the "group of seven" (Berecz, Grosz, Nemeth, Horn, Szuros, Pozsgay, Nyers) not a single leader of any significance was able to talk cannot be blamed merely on the Kadar era. (Many new faces emerged in other parties; on the civil democratic side some undisputed talents let their voices be heard.) The "group of seven" must have recognized in advance that they would tire out in the battle extremely fast. And yet, even with their last reflexes they were, and are, preoccupied with salvaging their own positions. The possibility of running a young person in their places in the interest of the "cause" (if they ever had a cause in their lives) did not even occur to them. From the fossils of the state party only two presidium members survived the system change: Pozsgay and Horn. As we know, these politicians gained international recognition for their merits in destroying the party state.

In reality the fundamental achievement is tied to the workings of the "group of five." For the sake of their own survival—with the help of reform circle members most interested in holding on to power—they released the membership claiming that there was no need for Stalinists. With zeal characteristic of neophytes they missed the target, because by exiling the membership they laid the groundwork for their own insignificance. At various party functions, in vain did the remnants of the party elite try to outdo each other in tearing off the robe that was scorched on them during the state party era. In vain did most "socialists" who landed in Parliament experiment with winning the confidence of the ruling party and of the opposition. Filled with a sense of guilt and inferiority, they were unable to do so when contacting other parties. They were unable to elicit praise despite becoming constructive and adaptive, and despite obediently voting for all significant laws. But the new democracy also served to greatly disappoint the SZDSZ, because with democracy there came a gift for the people: a Christian-national course. And the new system is more reminiscent of a bureaucratic parliamentary dictatorship than a parliamentary civil democracy. In this system the executive power is the absolute master. In light of all this it comes as no surprise that both the Association of Young Democrats [FIDESZ] and the SZDSZ created a more left wing impression than the MSZP. As a miserable operetta party, the MSZP was left to play the role of the punching ball.

Two ideas which seem to be totally irrational may also be credited to the survival ambitions of the leaders. One of these ideas is tied to Horn, the new party chairman, even though he was not chairman when this idea emerged. Horn was the one who discovered the formula for how to get rid of the membership: The MSZP would become an election party. This was an original idea indeed: History has not been aware of a left wing election party up to this point. This is so because capital does not like to foster significant socialist and social democratic parties, just as it did not finance communist parties in earlier days. A not overly significant socialist party like the one in Austria has 700,000 members.... Despite the consequences of the collapse of the state party, this "experimentation" proved to be catastrophic.

The other nonviable idea originated from Pozsgay in the declining phase of his career. According to this idea, we would "decide" to establish in Hungary a socialist party along the French and Italian patterns. "Decide": consistent with the old state party traditions. This tragic and comic perception was further weakened by the fact that Pozsgay presented his idea wrapped in the kind of anticommunism cultivated by the MDF and the SZDSZ. Thus the idea became totally devoid of credibility. In the wake of several decades of a "reform communist" past, Pozsgay's idea invited accusations of being a turncoat, particularly in election times. Consistent with state party traditions, the party leadership lagged behind, and continues to lag behind the events.

POLITICAL

The fact that the party leadership is lagging behind events was demonstrated by the parliamentary faction in what could have been a cabaret show, and in the plain view of millions. These people from olden days tried to protect left wing values at a time when they themselves undermined respect for such values. One should not expect the MSZP parliamentary faction to proclaim to the country and to the world that the neoliberal therapy of the International Monetary Fund has collapsed both in Hungary and in East Europe, as well as throughout the world, in general. This cannot be told by ex-minister Bekesi who best represented these policies in Hungary. Yet today he is perplexed by the fact that the MDF and the Smallholders [Independent Smallholders, Agricultural Workers and Citizens Party—FKgP] continue with the policy they initiated, undoubtedly with less style and culture, but with more results. This then translates into the fact that the country will stand on its feet sooner and more efficiently. Since the MSZP faction is unable to say such things (and the presidium itself is a captive of the faction as a result of the old leaders who also serve in the presidium), only that miserable punching ball role we mentioned already is left for them to play. Horn and Pozsgay may claim at least that they succeeded in salvaging their Mercedes Benz [“the Mercedes action was successful”]. Some better characters, some intellectually and politically more courageous people could be seated in the MSZP presidium, of course. They could assert that the “reform communist” utopia of building a “Western” style market economy has failed. They could state that the construction of a market economy is successfully progressing together with the impoverishment of significant masses and the destruction of Hungarian agriculture and traditional large industry. And they could say that repayment of the interest on the indebtedness, growing inflation and unemployment are progressing as “planned.” The time has come to state in a honorable manner that this is not the kind of systems change we wanted, even if we accept that change as a matter of reality. (In order to do so, however, we would have to know what we actually want, of course.) The only matter that has been accomplished is the IMF program, at best. This program is advertised by both the MDF and the SZDSZ as their own. The program should have been given to them a long time ago, rather than coloring the program “socialist.” Pozsgay and Horn have yet to understand that the abstract model of a market economy which replaced the old state socialist model of state redistribution cannot be introduced. One can introduce only hyena capitalism. This however would discredit faster the MDF cabinet which functions with the best demagogery, than the cabinet itself would believe. Even though in his days Karoly Grosz was cautioned in vain about the fact that left wing parties are not suitable for the introduction of capitalism, the present MSZP leadership has not learned its lessons. By now one is inclined to think that there are some problems with intellectual capacity—a matter that is on the decline at the left anyway. We should transcend the Grosz-Nemeth-Antall line at last.

The old leaders still do not recognize the fact that following the systems change the party as a whole should have undergone a functional change. One should recognize at last

that the reform circles fell victim to the “disease” described by this writer at the Szeged conference of reform circles as a “nightmare”: In reality, reform circles serve the purpose of supporting a few leaders in their efforts to use the reform circles as jumping boards in order to grab positions of highest power within the party, and to then degrade the new party by making it a tool of their own power combinations consistent with the pragmatism manifested by the traditional state party. After actually putting into practice what I predicted, the old-new leaders not only isolated the party within society, they also removed themselves from any truly original and left wing renewal. They were unable to find friends even within the international left.

The left, of course, still does not find itself in such a catastrophic situation as we might assume it would be based on the MSZP situation. This is so because the popular referendum action prepared in such childish manner yielded an important lesson. Despite its total dispersion, the left may count on the votes of about 1 million people. And yet, the MSZP was unable to mobilize for any worthy, promising political action even a few tens of thousand of people out of the 1 million. For this reason, the situation of the left may be theoretically favorable in vain. The government’s economic policy produces hundreds of thousands of dissatisfied, impoverished and maimed people, and the MSZP is unable to rally this potential. It yields instead these people to the (extreme) right and thus pronounces a historical verdict upon itself. While working people gradually lose their illusions based on lessons learned from catastrophic MDF-Smallholders policies, the socialists continue to manage all this in a constructive fashion. How far can we decline?

But the main trouble of the MSZP rests elsewhere. The chiefs of staff continue to think only in terms of grand politics, of parliamentary politics. They ponder how they could place one or two ministers in the cabinet at the earliest possible date. Meanwhile, however, they are being squeezed out from the territory which represents the traditional terrain and base of the left: from self-organized social organizations in which people struggle to resolve their everyday problems. Hardly any other field of action is left for the party. At present, a decisive part of the party intelligentsia provides an ideology for the managerial and financial bureaucracy under the banner of provincial and mushy liberalism so that they can hang on in the “beautiful new world” as owners. The fallen elite also wants to be part of the new ruling elite. This fact explains the origins of the existence of groups even within the party leadership which orientate themselves toward the MDF and the SZDSZ.

One of the preconditions for establishing an independent left would be to recognize that Hungarian political life revolves around three centers of gravitation. A traditional Christian-national conservatism (and its internal trends ranging from the Smallholders all the way to national liberalism), a European liberalism (and its internal shades of difference), and a socialist left with its own groupings and trends. The MSZP’s character of being a remnant may be transcended if an effort to establish an independent left is made without delay. The MSZP may have a chance to

survive if it clarifies the fact that it is the party of the productive classes (engineers, white collar and blue collar workers, cooperative members and state farm workers, the left wing intelligentsia, etc.) which constitute a large majority of the Hungarian populace, and that it is not the political interest group of the economic bureaucracy.

In order to survive one would also have to draw a few practical conclusions of course. I would call attention to a few conditions—not to be listed in the order of their significance, and without endeavoring to provide a complete list. The party should get rid of the old chiefs at last, and the point of gravity in the party's activities should be transferred to the protection of the ownership rights of workers communities. Further, some mass action should be organized to support workers' endeavors, so that they may exercise control over the privatization process. The party must break out of its "salon socialist" sectarian isolation, so that it may become the political movement of social organizing efforts (workers councils, trade unions, residential area communities, etc.). A left-wing party should not engage in contrasting so-called economic efficiency to human beings and to environmental protection, but it should link the protection of human rights to the struggle for social justice. Without this there is no bourgeois development. Only impoverishment and the economic rule of the privileged trampling on minority rights exists. No new, truly authentic left wing party may come about without the organic linking of these factors.

For this reason it is impossible to construct a profile. Either a social democratic, or any other profile. A simple profile is needed, one that is friendly to people, but such profile may evolve only in the course of the above described practical orientation. In light of this it may turn out that socialism does not amount to less, but to more than any variety of liberalism, because socialism does not mean the abstract denial of political liberalism. Instead, socialism means the extension of the concept of human liberty from the political to the economic sphere, to production. State socialism prevented the evolution of this extension. In its late form it existed as a mixture of liberalism and Stalinism. Today's tasks conflict with each other because we must depart at last from both traditions. We must recognize the fact that socialism is the movement of a civil society.

Text of Environmental Cooperation Agreement With USSR

*90CH00380A Budapest MAGYAR KOZLONY
in Hungarian No 43, 10 May 90 pp 1004-1006*

[Text]

**From the Minister of Environmental
Protection and Water Management
Serial No. 5**

**Agreement on Environmental Cooperation
Between the Government of the Republic of Hungary
And the Government of the Union of Soviet Socialist
Republics**

The Government of the Republic of Hungary and the
Government of the Union of Soviet Socialist Republics
(hereinafter the Contracting Parties),

Proceeding from the principles and objectives of the 7 September 1967 Treaty of Friendship, Cooperation, and Mutual Aid between the Republic of Hungary and the Union of Soviet Socialist Republics,

Taking into consideration the resolutions of the CEMA member states' economic summit in 1984, the objectives of the Comprehensive Program for Further Intensifying and Perfecting CEMA Cooperation and Developing Socialist Economic Integration, as well as the principles of cooperation laid down in the Comprehensive Program for the CEMA Member States' Progress in Science and Technology Through the Year 2000,

Striving to achieve environmental security as an integral part of comprehensive international security,

Bearing in mind the provisions of Final Act of the Conference on Security and Cooperation in Europe,

Attaching great importance to the further development and intensification of environmental cooperation, and

Working to carry out the social and economic tasks that the two countries have set for the intensive development of their respective economies, coordinated with the natural environment's protection and improvement, as well as with social development and health care,

Have agreed on the following:

Article 1

For the benefit of the two countries and their peoples, the Contracting Parties will develop cooperation on environmental protection and the rational use of natural resources and, through their joint activity, will contribute toward the solution of global environmental problems.

Article 2

Cooperation will be achieved in the following principal directions:

- the prevention of atmospheric pollution;
- soil protection and the rational use of farmland;
- the rational use of water resources, and the prevention of water pollution;
- the exploration and analysis of environmental changes;
- the monitoring of the state of the environment;
- the protection of the flora and fauna, and the establishment of national parks and nature conservation areas;
- the study of environmental pollution's biological and genetic effects;
- the improvement of the environment in cities and other inhabited localities;
- joint action to protect and improve the environment of districts along the common border;
- the development and spreading of low-waste and waste-free technologies and environment-friendly materials in industry, agriculture and other branches of the economy;

- the development and production of special equipment, instruments and materials for environmental protection, and the designing of structures for nature conservation;
- the mutual exchange of information about more significant events that threaten to spread pollution across the border, from the territory of one Contracting Party to that of the other Contracting Party;
- mutual assistance in preventing environmentally harmful accidents, catastrophes and natural disasters, and in abating and cleaning up their effects; and
- the administrative and economic regulation of environmental protection, the system of environmental education and training, and the public's participation in environmental protection.

The Contracting Parties may define more precisely the enumerated principal directions of cooperation in the course of coordinating their cooperation.

Article 3

Cooperation between the Contracting Parties will assume the following forms:

- joint research and technical development;
- the exchange of scientific-technical information and documentation, the lending of equipment and instruments;
- joint professional conferences and consultations, and exchange visits by experts;
- the implementation of cooperation and specialization, and the solution of specific tasks, in the principal directions enumerated in Article 2 of the present Agreement; and
- the transfer of specialists, equipment and materials to help prevent pollution-causing accidents and natural disasters, and to clean up their effects.

The Contracting Parties may also agree on other forms of cooperation in the course of implementing the present Agreement.

Article 4

The Contracting Parties will ensure through their ministries, central agencies, enterprises, organizations and institutions (hereinafter cooperating organizations) the implementation of the tasks that the present Agreement specifies.

Responsibility for the coordination and organization of cooperation within the framework of the present Agreement will rest with, respectively, the Ministry of Environmental Protection and Water Management in the case of the Republic of Hungary, and the USSR State Committee for Environmental Protection in the case of the Union of Soviet Socialist Republics.

The aforementioned government organs will compile and reconcile the programs of cooperation on the basis of the cooperating organizations' proposals and work schedules.

Article 5

The Contracting Parties will appoint plenipotentiaries to expedite the implementation of the present Agreement.

The plenipotentiaries will meet at least once a year, alternating between the countries of the Contracting Parties.

The plenipotentiaries approve the programs of cooperation and decide questions pertaining to the present Agreement's implementation.

Within two months from the day the present Agreement becomes effective, the Contracting Parties will inform each other of the appointment of their plenipotentiaries.

The plenipotentiaries will set up working groups of experts as necessary.

Article 6

Proceeding from the present Agreement's objectives, the Contracting Parties will promote the maintenance and development of the cooperation established between cooperating organizations, as well as the establishment of new, direct mutual relations between ministries, central agencies, enterprises, organizations and institutions respectively.

The cooperating organizations may form temporary working groups to implement the tasks planned in the programs of cooperation.

Article 7

If the Contracting Parties perform on a contractual basis the work specified in the programs of cooperation, the contracts will regulate the questions of financing, invoicing, liability for performance, and conditions for sending experts abroad.

If no contract is concluded for such work, each cooperating organization performs its obligation at its own expense.

In the course of carrying out such work, experts are sent abroad on the basis of exchanges that do not involve any foreign currency outlays.

The Contracting Parties will conclude separate agreements on the conditions for providing assistance in the realization of environmental-protection projects.

The Contracting Parties will determine in separate agreements the lists of materials, technical equipment and services to be provided, and the conditions under which they will be provided, to help the cleanup of industrial accidents and natural disasters.

Article 8

Any questions concerning the protection of industrial property and patents that may arise in the course of the present Agreement's implementation are to be decided on the basis of the 12 April 1973 Agreement on the Protection of Inventions, Industrial Designs and Trademarks Within the Framework of Scientific and Technical Cooperation, and of other agreements on this subject to which the Republic of Hungary and the Union of Soviet Socialist Republics are signatories. International law shall apply to questions not regulated in the aforementioned agreements.

Article 9

In accordance with the provisions of the treaties and agreements that are in force between the Republic of Hungary and the Union of Soviet Socialist Republic, and on the basis of the two countries' domestic laws, the cooperating organizations will determine the conditions for the mutual transfer and utilization, or for the transfer to a third party, of the results achieved in joint activity undertaken to implement the present Agreement.

Article 10

The Contracting Parties are not liable for any performance the cooperating organizations undertake in contracts concluded on the basis of the present Agreement or in conjunction with the objectives specified in the programs of cooperation.

Article 11

Nothing in the present Agreement may be construed as prejudicial to any other agreement between the Contracting Parties or to any agreement between one of the Contracting Parties and a third party.

Article 12

The present Agreement will become effective the day the Contracting Parties inform each other, through diplomatic channels, that the present Agreement has been ratified in accordance with their respective domestic laws.

The present Agreement has been concluded for a period of five years. Its effectiveness will be extended for another five years each time, unless one of the Contracting Parties serves notice of its intention to terminate the Agreement at least six months before the Agreement's next expiration date.

Termination of the present Agreement will not affect the validity of contracts concluded on the basis of the present Agreement.

Signed in Budapest this 1st day of November 1989, in two copies, each copy in both Hungarian and Russian, either version being equally authentic.

For the Government of the Republic of Hungary: Laszlo Marothy

For the Government of the Union of Soviet Socialist Republics: Nikolay Nikolayevich Vorontsov

Impounding Weapons: Details Described

*90CH0435B Budapest MAGYAR HIRLAP
in Hungarian 29 Aug 90 pp 1, 3*

[Report including interview with Interior Minister Balazs Horvath by (franka), in Budapest on 28 Aug 90: "Fall (Weapons) Harvest"]

[Text] At dawn yesterday, police began collecting and withdrawing weapons held by citizens for purposes of self-defense, according to Interior Minister Balazs Horvath at a meeting with journalists in Parliament and subsequently at a press conference held at the Ministry of the Interior. Policemen, professional military officers and persons holding the rank of generals are exempt from the decree. The interior minister was prompted to take this step by the fact that during the past ten years weapons held for self-defense purposes were used exclusively for the commission of criminal acts.

The measure is not part of the election campaign, Horvath said at yesterday's press conference. He had already promised this in his parliamentary confirmation hearings, and according to Horvath he had to wait for the moment when the gathering of weapons could be implemented.

Three representatives from the governing party and from the opposition had already requested self-defense weapons, but the minister did not approve the requests because he wanted to further limit the group of persons with access to self-defense weapons. For this reason the law governing this issues will also be written in this spirit.

About 8,000 weapons will be held legally by persons after the withdrawal action is completed. The minister was unaware of any atrocities prior to the press conference. The police will take more determined action if a person fails to yield his weapon. Horvath pledged to initiate criminal proceedings if it is ascertained that a person is unable to account for a weapon which may have disappeared.

[(franka)] How many outstanding self-defense weapons do your records show?

[Horvath] About 17,000.

[(franka)] How many people took part in this action?

[Horvath] The police.

[(franka)] The entire police?

[Horvath] Of course. With the help of the Army.

[(franka)] And how did you accomplish this? You just rang the bell at 0500?

[Horvath] I did not accomplish this. They went out a 0800, 0900, 1000, and most likely also earlier in the morning when people were at home.

[(franka)] And will this not cause another bell-ringing scare? [Reference to the scare caused during past decades when people were concerned that the secret police was at the door.]

[Horvath] A scare caused by this action? Just because we are taking away a lethal tool from someone?

[(franka)] Not by that, but by the fact that it is possible to ring the citizens' doorbells at dawn....

[Horvath] It appears as natural that a newly promulgated Interior Ministry decree will be enforced, one that directs and determines that in the present political situation superfluous self-defense weapons must not be left with citizens.... I checked: During the past decade not a single self defense weapon was used for its intended purpose. On the other hand, in a number of instances such weapons were used for the commission of crimes. I regard it as my moral obligation to prevent the use of such weapons for criminal purposes.

We inquired at two district police headquarters which differ from the standpoint of citizens holding self-defense weapons. While in the 14th District "only" 100 self-defense weapons were recorded, in the 12th District—regarded as the resort place for cadres—there were 662 self-defense weapons recorded.

We learned that in Matyasfold they endeavored to acquire self-defense weapons based on written determinations and in lieu of receipts from retired policemen, workers guards, factory presidents and from former secretaries of the Hungarian Socialist Workers Party [MSZMP]. According to a person in authority at the district police headquarters, more than 50 revolvers were collected as of yesterday evening and were placed into police vaults. No one resisted, but there were some who shed tears when they had to part forever with their faithful and expensive Parabellums. (This make is worth between 8,000 and 12,000 forints on the market.)

Efforts made by 12th District police headquarters did not produce good results thus far: As of last evening the police was able to hand in to headquarters only 39 of the 662 revolvers. In their view, however, there is no cause for despair; the majority of people stay at home in the evening. (In this district a dozen policemen pursue weapons collection work between 0800 and 2200.)

YUGOSLAVIA

Former Pristina Radio, TV Director Interviewed

90BA0313A Belgrade BORBA in Serbo-Croatian
29 Aug 90 p 5

[Interview with Agim Malja, former director of TV Pristina, by Jovan Radovanovic and Seljadin Dzezari; place and date not given: "Only the Extremes Remain"—first two paragraphs are BORBA introduction]

[Text] Agim Malja, who is among other things a medical doctor, a children's poet, and a journalist, was known for a long time in the restful Kosovo years as a moderate intellectual. People were glad to put him among those few people of goodwill on the soil of Kosovo. He is well-known to the Yugoslav public through several interviews and journalistic articles. He has written several books of poetry and prose, but also plays which in recent years have been effectively put on in the theaters of Pristina and Skopje. He was removed from the position of general director of Radio-TV Pristina by the coercive measures of the SR [Socialist Republic] Serbia Assembly.

It is of interest that at the beginning of 1989, before Rahman Morina was elected chairman of the Kosovo LC [League of Communists] Provincial Committee, Malja was nominated for that position by a large number of basic party organizations in Kosovo consisting both of Albanians and also Serbs. A month ago, following the formation of the working group of the Kosovo LC Provincial Committee to ascertain the political accountability of Agim Malja, he withdrew from the ranks of the LC.

[BORBA] Mr. Malja, you were recently brought in by the police and held for several hours in what was referred to as an informative conversation. How would you describe the background of this time in which overnight you are changed from a man who holds a position, a man in whom confidence is placed, into a problematical and suspicious person?

[Malja] The explanation, unfortunately, is very simple: When you have two nationalities that are politically opposed to one another, then influential people, or the so-called leaders of one nationality cannot be good and esteemed by members of the other nationality. It works both ways. On the contrary, they are certainly problematical and suspicious. However, the difference today is that the balance of power is such that one side has superiority and the other has been retreating for these 10 years until it has reached a state of disenfranchisement. As a result of this balance, we have thousands of people punished with strict imprisonment and tens of thousands prosecuted for misdemeanors, and hundreds of thousands "processed" in the chambers of the Secretariat for Internal Affairs [SUP], discharged from their jobs, or "differentiated;" but the darkest picture is

created by the fact that in recent years almost 100 people have lost their lives in disturbances.

The Police as Destiny

As in Ionesco's "Rhinoceros," in these relations neither I nor anyone else who feels himself to be an Albanian and cannot turn his back on his people can be good as seen by the other side. So that individuals like me, who have some influence with their own people, quite naturally come under suspicion. Such a status is extremely unpleasant. No one can like having a stranger with a walkie-talkie waiting in front of the door of his apartment in the morning to escort him to the chambers of SUP, where they interrogate him for hours about all kinds of things, and he in all of this does not know whether he will get out or stay there. No one likes having a strange car and people in it escort him through the city, probably intentionally so conspicuously that even a child who is with you notices it and is frightened. It seems that the police is becoming our destiny in this time!

[BORBA] Have the divisions in Kosovo become so deep that all the ties that once existed between the inhabitants of different nationalities are severed forever? Is there any remedy for that?

[Malja] Unfortunately, it is not just that the ties among inhabitants have been severed, but that a horrible mutual enmity has simply been evoked to the point of being irrational. The extremes have moved apart so far that there is no longer any middle, there is no center. Those who have attempted to love both or at least not to hate either one are in the worst situation—they have been sent off to isolation. They certainly must feel like Ionesco's Mr. Beranze in "Rhinoceros," everyone around him is making the noises of a rhinoceros, he shuts himself up in his room, puts plugs in his ears, but that howling penetrates from outside, and there is nothing he can do. What will happen to the poor man? In the end, even he is not certain whether the howling is coming into the room from outside, from the crowd which has taken on the features of a rhinoceros, or from within, from himself. To my way of thinking, any man who has managed to preserve spiritual hygiene in these difficult times deserves the greatest respect.

[BORBA] Is there any possibility of reconstruction of social relations in Kosovo, say, by strengthening production relations and through development programs and reestablishment of some tolerance between Serbs and Albanians? We also have the new Constitution of SR Serbia which guarantees civil rights to all equally.

[Malja] In a normal situation, to place an ethnic collectivity such as the Serbs and Montenegrins in Kosovo in a privileged political as well as constitutional position would objectively result in a greater sense of security on their part, and it would be easier for them to undertake to build social relations with the Albanian, the workfellow, the neighbor, the fellow citizen. However, the opposite has happened here: Even for the slightest disagreement during these years, and especially now, the

Serb has insisted on the "law-governed state" which he has himself established, the kind that he needs, with "honest Albanians," or without Albanians at all. It would be realistic for social relations to be rebuilt through production relations and the relations in the workplace. However, has anyone been noticing that the material base in Kosovo is being torn down more and more every day, that the Albanian workers are being sent away from the factories by the police, that even banks which are now joint stock companies have been placed in the hands of receivers? For years now, Kosovo has been in a total blockade of its potential and creative forces.

Total Blockade

In that kind of situation, when the nationalities are set against one another in the extreme, it is a true irony to offer a constitution which declaratively guarantees civil rights and freedoms. Naturally, at this moment the Albanians will not accept any guarantees from any leadership, least of all the present leadership of Serbia, which in the opinion of most people bears most of the blame for all the troubles of Albanians in Kosovo. The only guarantees in effect at this moment would be those constitutional guarantees about the full rights of the Albanians as an ethnic collectivity. As Stambuk said in Petrinja the other day, civil standards without ethnic standards means nothing at this point.

[BORBA] Homogenization of the members of the same nationality is a reality which we confront today and which is being manipulated to a dangerous extent. Can this insane merry-go-round be slowed down and one day brought to a stop? Can ethnic homogenization today, when the entire world is integrating on a quite different basis, be a step into the future for anyone?

[Malja] It seems that ethnic homogenization is our inevitable fate during these years. The socialism which the Communists were building for years fell over three main bastions: human rights, social ownership, and the nationality question. By skirting around and passing over in silence this last issue, we have arrived at a situation where all nationalities are at the moment full of ethnic frustrations which will not go away just like that. Those frustrations, ethnic traumas, and agitations of the ethnic being will in no case be healed by maintenance of monistic authority, which is precisely what brought it about, much less by oppression by other nationalities or indeed by calling up a Golgotha from the collective memory of the nationality in order to cause new conflicts. This state of the spirit and consciousness will not be overcome by any new unitaristic formula that is imposed and which to some extent would aim at unification.

Our only salvation is democratization of the entire country and free elections. That is why everything should be done to enable Ante Markovic to play the role of reformer authentically, and not only in the economy. There must be respect for the will of every nationality to define the constitutional arrangement under which it

will live and create a strong and interconnected economy on the basis of economic interests and the principles of the free market. Once the ethnic being is healed, new processes of integration can be expected in other spheres of the life of society as well. In a future society, it is not those nationalities who are the most numerous and who have more representatives in power, more police, or a bigger army who will distinguish themselves as entities of greater importance to the country, but those who carry on more normal collaboration, who are faster to clear pathways for development. It is quite natural that numerically the larger ones have the better chances. The Albanians want that kind of Yugoslavia, and they are ready to join it to the last man.

People Believe in the "Alternative"

[BORBA] Well, let us go back to the burning situation in Kosovo. It is being said more and more frequently that the "alternative" is the one that is pulling all the strings in the province. According to some opinions, the alternative in Kosovo has become the entire Albanian nationality. What does the "alternative" really represent in Kosovo today: "the voice of the people" or "separatists disguised as democrats"?

[Malja] The alternative is being proclaimed guilty for all the evils that exist today in Kosovo. First of all, it is being accused of having created the anti-Serb disposition in Albanians. Does someone really have to be indoctrinated against the policy of the Serbian leadership toward hundreds of thousands of Albanian families with several members whose sons and fathers have been languishing in prison for years and are languishing there even today because of their political convictions?

The Kosovo alternative today is made up of the Democratic Alliance of Kosovo as the leading force and independent intellectuals gathered around the Social Democratic Party and the Association for a Yugoslav Democratic Initiative. Today, the alternative is the last political entity in Kosovo that Albanians still believe in. It is guiding Albanians toward the democratic option, strengthening their patience and supporting pacifistic resistance and so-called Gandhianism, convincing them that monistic and Bolshevik governments have fallen everywhere, and they will fall even in Kosovo, that democratic processes will prevail when the people itself decides its own destiny. Thanks to it, the situation in Kosovo has still been without major disturbances after the coercive measures were adopted by the Assembly of SR Serbia. Were it not for that political influence of the alternative, Albanians never would have agreed to simply live, especially these last two months, under a regime which has abolished all bodies of government, beginning with the Kosovo Assembly, which has suspended the operation of all the news media in the Albanian language (radio, television, and RILINDJA), which has thrown several thousand workers out on the street.

However, the people are tolerating all of that, not wishing to create a problem either for Yugoslavia or

Europe, they have been painfully adapting to the democratic option which is not one that has ever been close to it down through history and in the relations with other nationalities with which it has lived, since it always responded to force with force. If the alternative, which has declared itself in favor of Yugoslavia, should fall, then I am afraid that the intellectuals will be left in the van, and the leading positions will be taken up by those who are more militant. In that case, according to the suppositions of many people who know the Kosovo situation well, the people will organize themselves, the emigre community and weapons will become involved, and no one wants that kind of action, least of all the Kosovo alternative, which is fighting for altogether different goals.

[Box, p. 5]

Albanians Are in Favor of Yugoslavia

[Malja] This might sound a bit surprising to some people, but it seems that at the moment Albanians in this country are the ones who have the greatest interest in Yugoslavia. On no occasion and under no pretext, excepting the Marxist-Leninists who emerged in 1981 and whom the people themselves rejected, have Albanians declared that they want to secede from Yugoslavia. What is more, until recently they also accepted life in SR Serbia. Let us just remember November 1988 and the defense of the constitutional principles in 1974.... At the moment, Albanians are one of the most widespread nationalities in Yugoslavia. They live in one province and three republics. They have tied their destiny to the reforms and to the democratic option. They do not desire the creation of any ethnic state in Yugoslavia, nor are they thinking about secession. The slogan about a supposed Great Albania is a trite and hackneyed slogan which anti-Albanian forces have used as an alibi for smothering the real demands of Albanians for more rights and democracy—what best suits Albanians at this moment is life in Yugoslavia together with the other nationalities, whether in a federal or confederal context, but in any case a democratic Yugoslavia in which the status of Kosovo would be independent, whereby a guarantee would also be made to cover the Albanians who live in other republics outside Kosovo, while democratic Europe would be the guarantee that the borders will not be obstacles to cooperation with the parent country, especially along cultural and economic lines.

Throughout the country there is an ever greater awareness that Yugoslavia at this moment can survive only as a democratic country and will only be what its nationalities agree that it shall be. It is obvious that we have to sit down at the table and agree. Attempts before that agreement to create stronger positions for the various leaderships at the price of preserving the old Bolshevik system and relations and indeed even at the price of conflicts and bloodshed between nationalities are short-lived and have no future, just as the attempts are futile to exclude from that agreement the Albanians, who are now the third largest ethnic collectivity in Yugoslavia, and to

have someone else decide in their name. In a future democratic and multiparty Yugoslavia, every nationality will decide in what status it is to live and who is going to lead it.

In this phase of the reforms in the country, the biggest problem is that people are trying to camouflage the political conflicts and disagreements by causing ethnic conflicts. As a matter of fact, the main problem of the entire country is the conflict of the democratic and reformist forces with the bureaucratic and extreme leftist-oriented forces who, seeing that they are weak and are leaving the stage, are trying to cause ethnic conflicts and even bring about militarization of the country in order to perpetuate themselves. This is taking on the most serious forms in Kosovo, and at the moment Kosovo is the victim of those conflicts.

[Box, p. 5]

The Mistakes of the Top Leadership

[Malja] After 1981, under the pressure of the political establishment in Serbia, Yugoslavia accepted the political platform in which the Serbs and Montenegrins in Kosovo were discriminated against, left to themselves, exposed to attacks of Albanians and that is why they moved out. That political postulate was adopted by all the political leaderships in the province during the 1980's, with the sole euphemism in the way it was stated that the pressure was not being exerted by Albanians, but by Albanian separatists. They closed their eyes to the fact that what they were referring to as pressure was everything that life together in this region brought in the way

of bad weather. Thus, overnight the peasant whose cow got into the Serb's pasture became an Albanian separatist.

Once they adopted that, the political leaderships in Kosovo through the 1980's entered a futile fight against windmills. They were in the position of the horse pulling the Pony Express; as soon as they no longer had the strength they would be left in the prairie, and others would be brought in to take their place. Things went on that way for a time until the political establishment of Serbia discovered a new goal: The main problem is the 1974 Constitution and Kosovo's autonomy, that is, Serbia's statehood. And that goal was achieved regardless of the casualties.

Immediately thereafter it was seen that the policy being conducted was not interested in any good with the Albanians. Leading positions in Kosovo were taken up by Albanians who lacked knowledge and authority, who have been blindly carrying out a repressive policy toward everything Albanian. That was when the intellectuals were put in "isolation," the political trials were rigged, there were new rounds of differentiation, people were killed in demonstrations, everything ethnic was removed from school syllabi, the names of ethnic figures were removed from the streets, schools and other institutions. And when resistance and disagreement with that policy was felt and expressed through the institutions of the system and the news media, then came a new counter-strike: abolishing all government in which Albanians take part and also the news media in the Albanian language.

Can you yourself now imagine that any real forces consisting of Albanians can be found except for those four or five so-called "honest Albanians" who would agree to continue any further this kind of policy in Kosovo?

BULGARIA**Future of Construction Troops Debated****Abuses Criticized**

90BA0303A Sofia *TRUD* in Bulgarian 30 Jul 90 pp 1-2

[Article by Boris Kovachev, reserve TP [Labor Service] corporal: "Bulgaria's Poor Devils in Uniform"]

[Text] Recently the 70th anniversary of the Labor Service or, as it is now known, Construction Troops was celebrated. The festive gathering in the familiar way recognized the successes and triumphs; there was even a little modern self-criticism...

Most likely there will be greetings and awards on the occasion of the jubilee. And then everything will blow over.

But for me, this holiday should make us ponder: Who needs this 20th-century anachronism—compulsory labor service?

What Kind of Troops Are These?

They are drafted like soldiers, they are trained any which way to handle antiquated weapons, and are sworn in like real soldiers. But it turns out that Minister Dzhurov's orders do not apply to them!? It is asserted that the "brass hat" of these troops is the Ministry of Construction, Architecture and Public Services and hence the "commander in chief" at the moment is Minister Ivan Krustev?...

Slightly odd troops, then, but you are subordinate to officers' orders and the sword of military laws hangs over the labor serviceman. Refuse, then, to obey "an order that makes you work under abnormal and immoral conditions, in the rain, in scorching heat, in uranium mines, in air full of poison and dust."

Can anyone tell me how many of the labor servicemen and noncommissioned officers remain alive out of those who worked in the uranium (or other) rare metals mines under slave conditions?

But I see a higher officer brandishing a finger at me, "That's past! An error of growth."

Is it past? Well, if now (I'm not sure about this) labor service personnel do not work in the mines, you should stroll through the poisonous sheds of Kremikovtsi, Dimitrovgrad, etc., with their health- and life-threatening production processes, through scores of factories in our ceramics industry with utterly obsolete equipment; you should stroll everywhere where even the highest pay cannot entice a normal person to work. And speaking of this, I wonder where the money that the labor servicemen produce goes. Most of it, of course, into the bottomless and holey pocket of the state, the rest for the

pay and bonuses of civilian foremen and noncommissioned and commissioned officers, and quite a small part for the sustenance of the slaves in uniform.

Concentration Camp but With a Free Regimen

The labor service has always been the place where personnel unfit for authority have served. Not only do you not put weapons into their hands, you also take away their grit and, if you can, their health, too; but the most important thing is the fear. Wasn't the Labor Service one of the schools for the reeducation and inculcation of communist ideals? And whoever was unwilling to consent to this point there was both a court and the Black Company in Varna Oblast, where if some labor serviceman in the quarries were to have a nosebleed from the sweltering heat and exhaustion, the "medic" poked in a plug with gasoline tincture of iodine. Quarries something like Lovech, but not all that...

Ecology? What Is It?

In rendering homage to the construction feat of the thousands of my fellow labor servicemen, who with their hands veritably forced a passage through mountains and descended beneath the earth, who with their chests stopped the onrush of rivers, who died of cold on top of Buzludzha in erecting the pyramid of the BCP [Bulgarian Communist Party], I cannot help but grieve that they erected the most frightful objects that annihilated Bulgaria's environment and destroyed the health of humans—the Kurdzhali OTsZ [lead and zinc plant], the G. Damyanov and the Kremikovtsi MDK's [copper extraction combines], Devnya, the gasoline monstrosity near Vratsa, the Elatsite MOK [copper concentration combine], and much, much more. Who will keep an eye out to see whether certain environmental protection requirements have been observed, whether land that has been cut over and where earth has been removed is restored to cultivation?

And Personal Slaves

An entire regiment worked in Pravets for several years—they were the personal slaves of Todor Zhivkov's fellow villagers. But there only? Just take a walk through Plovdiv and Plovdiv Oblast—the private palaces of local grandees were built with cheap labor-service labor. And in Plovdiv Oblast only? Stately homes, of course! But to whom have the 20,479 apartments built during the past 10 years been distributed? The vast majority of them are the property of the party bureaucrats, their children, and grandchildren.

I shall not talk about the higher officers. It is enough, for example, to be just any functionary in "Slaviya" for you to requisition a free work crew of labor servicemen to work for you under your expert supervision in your apartment or country cottage. It is enough to be named Vutsov to be able to send labor servicemen to the soccer federation's rehabilitation center of the V. Levski Stadium where former and present party and government leaders used to go for rest and recreation.

This Is No Sanatorium

A while back I was a guest at "Mladost [Youth]-IV." Around the blocks of buildings labor servicemen were busy finishing up a piece of work. Some sergeant arrived on the scene and a bustle ensued—he was looking for a Kolev or Kotev, as far as I recollect. They found him—a puny lad with large diopters.

"But he's sick! He has a temperature," a civilian foreman tried to defend him.

"This is no sanatorium!" the sergeant wisecracked.

Go to any detachment whatsoever of the Labor Service or, as they are now called for more pomposity, Construction Troops. Take a good look early in the morning at the formation during the changing of the guard. Look carefully. Without being specialists, you will discover many lads with obvious physical ailments... They should be exempt from military service. I am certain that an honest and objective medical examination would disclose in many of the "soldiers" internal diseases as well as psychic deviations—all these lads should be receiving treatment and in no case should they be working.

It is known that the Bulgarian People's Army has difficulty in raising its regular contingents, and even there compromises are made—young men are serving who 10-15 years ago would have been exempt from military service. But the situation in the Labor Service is more tragic yet, and on thousands of ill young men two years on projects will leave unjustifiable physical and psychic wounds for a lifetime.

For the Attention of the National Assembly

I venture, finally, to invite the attention of the National Assembly. Dear deputies, concern yourselves with the Construction Troops. Is it normal and moral, at the end of the 20th century, for such an anachronism—an ideal of military communism—to exist in Bulgaria?

Criticism Refuted

90BA0303B Sofia *TRUDOVO DELO* in Bulgarian
3 Aug 90 pp 1-2

[Article by Reserve Corporal Genadi Penev: "Answer to Article in Newspaper TRUD: 'Poor Devils in Uniform' Don't Need Your Defense, Mr. Kovachev"]

[Text] With the social activism unloosed since 10 November 1989 when hundreds of thousands of people are trying to titillate their fellow-countrymen with their (according to them) superb thoughts, viewpoints and suggestions, it would be naive to think that everyone would be intelligent, wise, honest, and mature, that there would be no malevolent attempts to denigrate anyone, to incite people against anyone, to settle old or more recent personal scores. Apart from false gods and false values truly deserving to be overturned, mud will also be flung at persons, organizations, and public groups that in no

way have merited rejection. We have to wonder why there are people who have begun to fling mud at the Construction Troops.

Journalist Boris Kovachev, who served many years ago and who for his diligent service was awarded the rank of corporal, has called the Construction Troops "a 20th-century anachronism." If we asked him why he thinks so, he would say that in the developed countries like the United States, France, and the FRG there is no Labor Service. True, but then we should also have to recognize as an anachronism a number of other phenomena resulting from the actual level of our present economy and culture. The Construction Troops, being as they are a form to which a number of countries, including the predecessor of the now-modern FRG have resorted, are hardly the most glaring anachronism of our times. It's good to know that a number of states, in seeking a solution to the question of alternative military service, are tending toward this "anachronism."

This is not the first time that lack of evidence is camouflaged by rhetorical questions. "Can anybody tell me," Boris Kovachev asks in his article, "Bulgaria's Poor Devils in Uniform," published in the newspaper *TRUD* on 30 July 1990, "how many labor servicemen and noncommissioned officers remain alive out of those who worked in the uranium mines of 'Redki Metali' [Rare Metals]?" But can Kovachev himself tell us how many perished precisely because they worked in the mines? The accusation when proved by facts and figures is convincing, but not when it is supported with rhetorical questions. The "slave labor" in these mines has already been written about; the personnel who worked there have been given a forum (see the article, "Please Don't Compare Me With Gazdov and Gogov" in the newspaper *TRUDOVO DELO* of 20 July 1990), and there's no need to return to it once more.

One really should not compare oneself with Boris Kovachev's naive arguments and we would not do so, were it not for the exceptionally spiteful tone of his material. Is the fact that the Construction Troops are subordinated to the Ministry of Construction and Architecture an argument for dissolving them? Surely no conclusion that the entire Construction Troops are "a concentration camp with a slightly freer regimen" can be drawn from the existence of a single solitary disciplinary detachment for the troops where duly and legally convicted privates, noncommissioned officers, and officers serve their penalties, can it? Surely the Construction Troops are not to blame because the plants they built are now polluting the air and water, are they? What, in the author's opinion, would they have had to do not to be accused—refuse the investors' construction order or undertake on their own to design and finance treatment stations at these plants? "To whom have the 20,479 apartments built in the last 10 years been given?" the author asks pathetically, citing an inaccurate figure and forgetting that it was not the leadership of the troops that decided who would live in the housing units built by the troops. Another thing: It is not the Construction Troops,

but the draft board that decides who of those liable to military service is sick and should be exempt from service. And what entitles the author to think that no soldier should work at the rehabilitation center of the soccer union if this is a duly accepted and duly commissioned facility?

Is a bit of a scene—personally observed by the author through some window, in which a foreman is said to have put up the plea for a soldier that he was ill, but the sergeant cut him short with "This is no sanatorium!"—evidence of the inhumane character of the troops? With such scenes, seen through the hedge, it is difficult to prove anything whatsoever. Is Kovachev sure that the foreman was actually right? Can it not be supposed that he had some not entirely pure intentions of his own regarding the use to be made of a "sick" soldier exempt from duty? Even if what was seen was the pure truth, can generalizations about the troops be drawn from this instance? If a commission of the National Assembly is set up in response to the author's request, we will show it innumerable facts of genuine concern for the soldier; we will show orders severely punishing instances of lack of such concern.

Boris Kovachev is not entitled to judge the Construction Troops by chance scenes glimpsed from somebody's window or on the basis of his personal impressions of 30 years ago when he himself was a labor serviceman. Among other things, his impressions then were not at all the same. If you go through the file of the newspaper *TRUDOVO DELO* for 1959 and 1960, you will discover numerous reports by the same author, who was then an active—not a reserve—corporal. To get an idea, let me cite only two quotations.

"But the work is serious, crucial. This is a shock Komsomol labor brigade! The rank for which they are striving imposes an obligation upon them."

"Will you manage?" the commander asked.

"We will! We'll keep our pledged word. In spite of the difficulties!"—responded the young men of the brigade.

"And they began to work. Like shock-workers, in Komsomol fashion."

("On the Way to Progress" in *TRUDOVO DELO* of 22 May 1960.)

"One of our steadfast shock-workers, Vasil Yordanov, was previously a bear-trainer. He didn't like his work, he kept aloof from people. Now he is inseparable from his comrades and in his work he serves as an example. He even sings with the personnel of the detachment. In general, the lads of the brigade live a fine life, Komsomol fashion."

("First Among the First" in *TRUDOVO DELO* of 28 August 1960.)

We are sure that when the Grand National Assembly decides the problems of military service and of the

Construction Troops, they will heed neither the previous nor the present facts and arguments of journalist Boris Kovachev.

Commander Comments

90BA0303C Sofia *TRUDOVO DELO* in Bulgarian
10 Aug 90 p 3

[Article by Pencho Kovachev, reporter at the Grand National Assembly: "Retirement of Government! 18 Months' Service in the Troops?"]

[Excerpt] [passage omitted] On Wednesday evening the contingent of old soldiers, surely at the top of their voices, shouted: "OSN!" which, translated into ordinary language, means, "The service has no fire!" Only two deputies abstained during the vote on the Law on Reduction of the Term of Service from 24 months to 18, but it came to the actual vote after a good many emotions and disputes.

Some deputies, it seemed, wanted to tell their military recollections. Others apparently did not understand that the issue is no longer "service to communism," but "service to the fatherland." Yet others asserted that only a professional army would solve the problem and we, they say, have the capability of creating such an army as early as tomorrow, while Solomon Pasi asked whether the Bulgarian Army could not become part of NATO.

There were proposals for 12-month service and six months for university graduates. Svetoslav Savov, for his part, proposed six-month voluntary military service for women (??!). Doubts were heard about the need for the Construction and the Transportation Troops. As a specialist, People's Representative Dimitur Yonchev differentiated very precisely between the showy and beautiful but inefficient requests of some deputies, and the proposals that were reasonable and realistic.

Since what still interests us most of all is the future of the Construction Troops, here are the most essential features of the statement by People's Representative Vasil Vasiliev, chief of the troops:

— "We support entirely the proposal of the Ministry of National Defense that the term of military service should be 18 months. It reflects the country's defense interests, namely, the minimum effective period for personnel training and maintenance of a high level of combat readiness.

— "The 18-month term allows structuring of Construction Troop activity in both basic construction activity and also in combat and mobilization activity, occupational training and educational work.

— "Since 1954 the Construction Troops have been self-supporting. The funds that are invested for instruction and occupational training during a three to five month period of basic training and for three to four months of finishing up occupational training amount to 5 million

leva of the troops' own funds every year. Their recoupm ent can be ensured in the new 18-month term. But a reduction of service below this term will be fatal for the efficiency of our work.

—“The soldiers' 18-month stay in the Construction Troops should also be looked upon as the time the young men need for their occupational training for a lifetime. For most of them, after their discharge they remain in construction as masons, plasterers, steel construction workers, mosaacists, fitters, power shovel operators, etc. Every year we train over 10,000 young men. With a 12-month period of service it's impossible to make out of young men excellent soldiers, defenders and builders of a new Bulgaria.

—“The changeover to an 18-month period of military service will guarantee a more tranquil perestroyka of officers, noncommissioned officers, and civilian personnel of the Construction Troops. Any further reduction of this period will lead to a serious increase in the imbalance between necessary jobs and available manpower—a situation that harbors unpredictable social tension and additional outlays to qualify and requalify redundant personnel.”

A Necessary Clarification

Two bills—one on reduction of the term of military service and the other on rescission of the ukases of the former State Council regulating the performance of military service by young men through work in certain industries—were voted on on Wednesday (8 August) at their first reading.

The second vote was announced for Thursday, 9 August, but due to the newspaper's technological cycle of production we cannot tell you the results of it. But we believe the final result will be favorable.

Politicians Comment

90BA0303D Sofia *TRUDOVO DELO* in Bulgarian
14 Aug 90 p 3

[Statements solicited from each of four Bulgarian politicians, identified in text, by unidentified TRUDOVO DELO representative; place and date not given: “Poll in the Lobbies: Pros and Cons of Construction Troops”]

[Text] Prof. Krust'o Petkov, chairman of the Independent Federation of Syndicates. He is not a deputy, but came to hear the government report:

“It's a little difficult for me to answer. I simply haven't thought about this question. But what occurs to me offhand is what President Roosevelt did. In 1930-1931 he created a special army for unemployed people. It was a special social safety valve that relieved the acute effect of the crisis. A severe crisis has likewise set in here, with unpredictable social tension. So I see no reason for dissolving the Construction Troops. But perhaps the question of their restructuring with an alternative army with the right of free choice should be examined.”

Manush Romanov, chairman of the Roma Union, SDS [Union of Democratic Forces] deputy:

“My personal opinion is that the Construction Troops are necessary for our country. There is a grain of reason in their existence that must be cultivated and better use should be made of the potential which the troops have at their disposal.”

Kiril Marichkov, deputy chairman of the Green Party, who served in the Construction Troops in 1970-1972:

“Why should we dissolve them when the shortage of manpower in construction is already so great? Clearly, for the moment we don't have the money for a professional army, but I consider it an anachronism that the present monthly pay is 1.50 leva. As far as I know the soldier-builders receive some remuneration for their labor, but I wonder whether it is realistic for the labor they put in.”

Medi Doganov, chairman of the Movement for Rights and Freedoms, likewise a former soldier in the Construction Troops:

“I would answer your question with a counterquestion: What will be the criteria for selection into the various arms of the service, including the Construction Troops? We accept the formula that the Construction Troops are an alternative service, but not that this is reduced to an ethical principle. This is a complex question, but given the present lack of stability and from the perspective of the crisis which we are going to feel from now on, the Construction Troops will have their definite functions. It suffices that they will be nonstrategic troops, set up only from among representatives of people from certain ethnic groups.”

B.A. [Author's note]: The Construction Troops are not composed solely of representatives of certain ethnic groups. Young men born in Bulgaria have served and are serving therein. You will have gathered from the foregoing lines that Kiril Marichkov served in the Construction Troops without considering this an insult.

GERMAN DEMOCRATIC REPUBLIC

Former Military Grounds Converted to Civilian Use
90GE0274A East Berlin *DER MORGEN* in German
3 Aug 90 p 8

[Article by Oliver Zelt: “Back to Nature: Former Troop Training Areas To Be Released; Foundation Trying To Take Over; Plans Include Amusement Park and Nature Preserve”]

[Text] Through the desert to the prairie via deciduous forest to the evergreen woods and, if you are lucky, you get a piece of rain forest free of charge. A trip through the

vegetation forms of the globe. The place: training areas of the National People's Army, also called TUeP [Troop Training Areas].

In the old days, the enemy from NATO was customarily annihilated in short engagements and the top military commanders got their high from demonstrations staged especially for them; but now many of these heroes' mounds are shrouded in silence.

It seems that, what with political change, the fields might also be put to new use. The army agrees; there are enough interested parties; and the ownership swap game can begin. But this space redistribution does not appear to be as simple as all that.

The only rather recently established "Foundation for Environment and Nature Protection of the GDR, Registered Association" (SUN) is trying very hard to take the released training areas over. That mode would certainly be more acceptable to nature than the ideas of a company in Ruethnick near Neuruppin, calling for the erection of a second "Soltau Heath Park." But before this dispute can be fought out, there is another problem that has to be cleared up. The Foundation as well as the present-day military establishment had assumed that the government was the owner of these grounds and that the Army consequently took the land over as its own property. But now it turns out that there is a difference in GDR terminology usage between control based on legal aspects and real ownership. What the army has to do now is to discover all cadaster-based real estate holdings that cover the training areas, after which it must go to the real estate offices and determine who is really the "landlord." Surprises appear to be preprogrammed.

The Foundation, however, is quite optimistic especially since Army Commander Rainer Eppelmann is quite fond of the idea of taking the training areas over and promptly issued a "Rehabilitation Order for Released Training Areas," regardless of all applications. The Border Forces have already drawn up a list of training areas to be considered and the branches of the NVA [National People's Army] intend to follow suit swiftly. Then the pullout can begin.

Training areas, which often sprang up already under commanders of other armies, to be sure were surveyed and mapped with military exactitude but none of those in positions of responsibility ever put the broom to these areas, down to this very day. This is why materials, mostly unknown, are found lying on and beneath the surface. This is a task of unsuspected dimensions: besides, who would really want to swear where the nonhazardous and hazardous sections are located; who would want to testify that picking up old shell fragments takes care of most of the job. Instead it is much more likely that oil and gasoline, pyrotechnical agents, such as napalm, duds, radioactive substances, and a vast quantity of rusty ammunition parts pollute the ground. These old-time pollution sources would first of all have to be analyzed and recorded in a chemical-toxicological expert

report. On top of that, there are the expert reports to be prepared by the government water body oversight office.

All these are jobs that tie down more people than had been assumed in the beginning. Only after this lengthy procedure can one decide which training area can be used again. The Foundation has assembled that into a utilization blueprint.

The recovery and rehabilitation work in the field will extend into next year. The rough work, such as collecting shell fragments, taking down orientation guidance points, such as draw-wells, building fronts, and tanks, will follow in 1990. In addition, civilian service outfits are being chartered for what may well turn into a tailor-made task.

Naturally, the biotopes will also be mapped during that interval of time. Here there are untouched regions that were located in the restricted areas of the firing ranges, woods and meadows, where, for example, salamanders still live. These habitats of animals and plants, which sprang up over the years, are to be left as they are if at all possible and they are to be protected. Talks will also have to be conducted with military forest rangers who reforested the woods in quite a few places. Maps that are still being stored by the Interior Ministry and that bear the notation "VVS" [Confidential] would also be a help. The Foundation is trying to get them released.

Foundation staff member Thomas Hilscher praises cooperation with the army people. Sometimes almost forced friendliness clearly shows that they want to get away from their negative image. In ecological respects, however, the sensitivity threshold is not very high. The ecological angle was more or less neglected in everyday training area life and they still do not want to recognize the full hazard involved in metal-containing surface areas.

Contacts have also been established with the Soviet Army but the latter's training areas are located in much thicker fog as far as pollution is concerned. Former government hunting preserves are more valuable because they are uncontaminated.

Of course, the Foundation will certainly not get everything it wants, but the broad range of the commitment reveals the Foundation's determination under no circumstances to leave to newly planned amusement parks all of this nature which is to be newly opened up. At any rate, in addition to the applications filed by the Foundation, there are 200-300 applications from private individuals. Many of the latter have for years been working as mechanics, carpenters, or joiners at those training areas and they simply want to preserve their old jobs there.

The concerns of those individuals are also included in the Foundation's utilization plans. For example, eco-villages could spring up on former army terrain; animal species threatened with extinction could find a home there; biotopes could develop untouched by human

influence; large surface areas could be released for ecological cultivation, always assuming, of course, that the terrain to be put to use is free of noxious substances.

This situation might materialize most quickly at the Berge training areas. This is where a local gathering will be held as early as 7 August with nature protection groups, military personnel, hunting clubs, forestry inspectors, and, of course, people from the Foundation.

Released Training Areas of GDR Border Forces

Region	Exact Location	Total (in Hectares)	Portion Used (in Hectares)
1. Ludwigslust	Heiddorf/Connow	1,220.00	96.70
2. Gardelegen	Berge	1,491.00	1,491.00
3. Wernigerode	Tanne	1,561.00	1,561.00
4. Halberstadt	Halberstadt	98.00	98.00
5. Halle	Muenchenhof	210.00	210.00
6. Halberstadt	Pauskopf/Huy	121.00	121.00
7. Nordhausen	Friedrichslohra	1,112.50	602.70
8. Lobenstein	Ruppersdorf	722.45	722.45
9. Hildburghausen	Hildburghausen	900.00	750.00
10. Suhl	Suhl	733.33	548.33
11. Zeulenroda	Poellwitz	1,864.00	1,863.90
12. Neuruppin	Ruethnick	3,254.00	3,254.00
13. Plauen	Schneckengruen	269.00	269.00
14. Potsdam	Gross Glienicke	46.00	46.00

HUNGARY

Problems, Complexities in Soviet Property Settlement Described

90CH0433A Budapest MAGYAR HIRLAP
in Hungarian 4, 5 Sep 90

[Article by Sara Pogany: "The Financial Aspects of Soviet Troop Withdrawal: To Whom Does it Represent Business?—Variations on Indemnification"]

[4 Sep p 6]

[Text] Where do we stand in regard to the sale of movable property made available by the Soviet Southern Army Command [DHDSCS]? Will difficulties in reaching final settlement change the contractually agreed upon deadline for troop withdrawal? How come the Soviet party has not provided an official list of its movable property thus far, including offering prices? Is business involved in troop withdrawal, and if so, whose business? We sought answers to these questions from persons in authority at the Technika Foreign Trade Enterprise, the Hungarian National Defense Forces and the Ministry of Finance.

Based on a Council of Ministers determination, movable property belonging to the DHDSCS suitable for civilian use that becomes available will be sold for transferable rubles. DHDSCS supplies may be purchased for payment in transferable rubles by appropriate business organizations authorized to conduct foreign trade activities. Technika Foreign Trade Enterprise was authorized to coordinate relations with the foreign trade organization designated by the Soviet party. However, this provision does not convey exclusive foreign trading authority for the sale of DHDSCS supplies.

Wheeling and Dealing

They promised that the list of supplies suitable for civilian use to be offered by the DHDSCS will be continually published in the FOREIGN TRADE REPORTER. I wanted to take a look at this list, but Sandor Garabuczi, director of the Technika Foreign Trade Enterprise, and Division Director Laszlo Kiss had their arms open when they told me that there was no list. More accurately: There exist some preliminary partial lists, but to this date they have not received an official list. But by looking at the partial lists one may conclude that the scope and quantity of goods offered decreases week after week. Such goods range from gravel, to bricks, to antifreeze, lubricants, containers and used cars. This, in spite of the fact that a number of Hungarian enterprises inquired about the goods offered. Moreover, occasionally Soviet commanders directly advise Technika that brick, gravel, lime, etc. is for sale at a certain place in a given volume. However, the goods are gone by the time Technika arrives at the given location. Local residents appear with hand carts and carriages, and exchange goods for a bottle of wine and for who knows what. Undoubtedly, this also constitutes commercial activity, except that this kind of business is called wheeling and dealing.

The following question arises of course: Is it economical for a commercial firm to gather all movable goods offered for sale at countless locations within a 93,000 square kilometers area, and then to resell these? Especially if it is possible to sell these goods locally? Presumably it would be economical to authorize the sale of these goods for payment in forints, but in this way the outflow of money from the country would become uncontrollable. So, what's left is the transferable ruble and barter. Technika also had an instance in which they received forints from a given Hungarian enterprise for the supplies, and the Soviets were paid in the form of a barter transaction. In this way the transaction was at least controlled. The buying activities of local people as well as sales by Soviet soldiers should somehow be made punishable. We have not seen any sign of such penalties. This, in turn, suggests that the commanders and officers of the DHDSCS enjoy a rather high degree of autonomy in this respect. The strictly hierachic structure and order of the Soviet Army is well known, one could therefore assume that the commanders are not acting on their own, and they cannot assign a guard to each soldier....

Hands Tied Twice

The legitimate dealings of Bakonymetal Limited [Kft] present the opposite example. Its activities take place to the satisfaction of all parties. The Soviets offered scrap iron for smelting. In exchange, the Kft delivers in the framework of a barter agreement light structure wooden buildings, manufactured in cooperation with Czechoslovakia. Thus far experience indicates that the Soviet party encourages barter transactions, primarily in order to resolve the housing problems of about 100,000 persons returning home. Technika also confirmed that in the framework of barter agreements the Soviets give preference to the exchange of light structure residential buildings, building elements and panels most of the time, and not to luxury items or some other goods which could cause a shortage in the Hungarian economy. The Ministry of International Economic Relations is supposed to review and authorize barter agreements. The evaluation of individual cases is time consuming. This is another reason why the hands of Technika Foreign Trade Enterprise are tied twice. The main factor, however, which ties Technika's hands is the fact that to this date the Soviet party has not designated the Soviet foreign trade partner organizations. No substantial steps are being taken even though Technika is in continuous contact with the technical division of the Soviet External Economic Relations Ministry. Previously this Ministry organized Soviet investments in Hungary, consequently the function of reselling these investments also falls under their jurisdiction. As a result of the delay the interest expressed by Hungarian firms is on the decline. This, however, does not mean that these firms do not find other ways, other forms in which they could satisfy their needs....

Colonel Gyula Gubicza, chief of the Fuel Service Directorate of the Hungarian National Defense Forces, and Engineer Lieutenant Colonel Laszlo Takacs also claim the absence of desired conditions for cooperation. At issue is between 100,000 and 200,000—according to certain data 120,000—tons of fuel accumulated as a reserve by the Soviet troops during their temporary stay in Hungary. This fuel is stored in underground storage tanks at seven bases. The seven locations are not linked by pipelines. According to experts, this consists of between 500 and 600 tanks at about 30,000 storage areas. Fuel can be found in at least eight grades of quality and value. Tanks equipped with cathodic protection are not galvanized, even though they have heavy zink plating. They do not comply with any Hungarian standards. One may only guess at this point concerning the possible environmental effects of these tanks. Part of the "cat-in-the-bag story" is the fact that random tests were made on a few tanks. Test results reveal that the tanks contain low octane gasoline, organic solvents, gasoline oil, kerosene, and on occasion water. Accordingly, purchasing this fuel involves a potluck situation. The Hungarian National Defense Forces do not need the fuel, the Mineral Oils Commercial Enterprise [AFOR] is more interested in lubricants, and the representative of Shell-Interag ran away once he saw the tanks. This does not mean that the fuel could not be used for both industrial

and civilian purposes if refined again. And interest to do so is being expressed. If once again refined, this fuel may be significant from the standpoint of the national economy: It could satisfy demand for almost a month.

Dead Point

The problem is related to sales. Ever since negotiations began the Soviet party delayed making a specific offer. Moreover it insists that the fuel is for sale only with the tanks. On occasion, fuel is for sale only with barracks constructed on the surface and with other facilities. Does the linking of goods, or tactical considerations guide the Soviets, or are they playing for time?! We should keep in mind that beginning on 1 January 1991 we are changing from settlement in rubles to settlement in dollars....

It appears that insofar as fuel is concerned, we are at the dead center for the time being. This may be so because of summer vacations, and not because Soviet negotiating partners consistently sit down with their Hungarian negotiating partners without authority to negotiate. And it is fair for the Hungarian partners to be offended by this fact, because it does not make sense for either party to recite the other's A/4 [reference unknown] text from memory. A decision is delayed while time is passing....

[5 Sep p 9]

[Excerpt] [passage omitted]

Surprisingly, in hopes of future beneficial cooperation, the attitude of the Soviet partners is entirely different when it comes to the establishment of joint ventures. There is the case of airfields for instance. Rumors are that on 1 January 1991, a Soviet-American joint air cargo company called Aerotrans will be formed in the Soviet Union. They would like to have the Hungarians as partners in this venture, as well as the airfield at Tokol. The idea is not at all bad. Huge opportunities would open up for each of the parties insofar as becoming part of the international movement of air cargo. One need not explain what this could mean to Hungary.

At the same time, however, the fact is that the idea of establishing a continental and intercontinental air cargo base in Hungary has also occurred to German, Italian, French and Israeli businessmen. Not only Tokol airfield is involved, but also an additional five, first class airfields. For this reason, while proclaiming neutrality in competition, the Ministry of Transportation and Communication will announce an international tender invitation for the utilization of the six first class airfields and of smaller, grass covered airfields within two weeks. Bids will be evaluated within 60 days from the submission deadline. Thus the Ministry's recommendation may be placed on the cabinet's table prior to the end of this year. Word spread in regard to Tokol airfield: In the absence of a decision the Soviet party will become tired of waiting, and together with its American partner will realize its plans at an airfield located between Warsaw and Krakow. That airfield has the same features as the

one at Tokol. There will be no need to force the Hungarian government to make a decision: Anyone may participate in the international tender, including the Soviets.

Zero Balance Sought

The matters involving fuel and airports supposedly represent only the tip of the iceberg insofar as final accounting paralleling Soviet troop withdrawals is concerned. We inquired about the present situation from Colonel Tibor Cserepes, deputy division director at the Ministry of Finance.

According to the agreement concerning the withdrawal of Soviet troops signed on 10 March 1990, provisions of the agreements signed in 1957 and 1958 will remain in force until troop withdrawal is complete. The 1957 agreement which serves as the legal foundation for the present situation may be seen by anyone in the Code of Legal Provisions in Force. Decree No. 22 of 1 April 1958, signed by the Presidential Council was not accessible for a long time. It governs financial issues related to the stay of Soviet troops in Hungary. In the course of reconciliation talks that began on 1 February 1990, the Hungarian party has made it unmistakably clear from the outset to the Soviet delegation that claims for indemnifications must be made based on considerations of pros and cons, and that only a zero balance final accounting is consistent with the reality of economic policy considerations.

It is known that the Soviet party claims between 30 billion and 50 billion forints of indemnification. This claim is based on the value of real estate the Soviets constructed. The number of such building clusters may be estimated at 6,000, but according to experts, only 2,000 of these were built consistent with law. The 1958 agreement specifies that the Soviets may build only on the basis of a permit. In theory, that is. Because based on the above numbers, in practice some 4,000 buildings were built illegally. Why did no one exercise control over this matter? In light of documents that surfaced thus far from the era of the party state, it appears that it makes no sense to ask this question. Persons in authority at the Ministry of Defense which exercised management rights over these facilities were not permitted to enter these areas, so that there was not much chance for the exercise of control.

Property Disputes

The buildings are there, irrespective of whether they were built legally, and they constitute the property of the Hungarian people. Section 8 of the 1958 agreement applies: Following the departure of Soviet troops these pieces of real estate must be handed over to the Hungarian people, and to the Ministry of Defense which exercises management rights. This must take place in lieu of appropriate compensation (amortization, further development and other matters). One of the most essential claims by the Hungarian party emerges in this

respects: the indemnification claim concerning preservation of the property. The conditions of these buildings is known from television and from press photographs. The Soviet party did not spend enough money on maintaining and renewing these buildings, according to expert opinion. This is so even though according to the 1958 agreement funds expended for purposes of maintenance and renewal should have been the same as the amount of the quasi leasing fee. The failure to maintain and renew cannot be explained by differences between Hungarian good taste and Soviet standards. Despite this fact, the Soviet party does not recognize the leasing fee to be in arrears.

To the contrary: In their view the real estate constructed by the Soviets should be regarded as their property. The only problem is that the concept of Soviet property does not appear in the 1958 agreement. The relevant provision of the agreement states that the Soviet party may construct on the basis of permits, thus it may use such real property under a free-of-charge leasehold. In other words: The Soviets obtained use rights, not ownership rights over such property. Insofar as indemnification is concerned: After their departure the Defense Ministry would take over these pieces of real estate, and pursuant to the 1958 agreement, the Soviet Union would have to pay the appreciation, i.e., the value of property, in the form of indemnification, as conditioned by amortization and the possibility of further use. If there is no need for such property, if such real estate may be used for military purposes only, the Hungarian party will not be obligated to indemnify the Soviets. A middle-of-the-road solution would be for the Soviet party to demolish such real estate, and to recultivate the area on which the real estate is located. Insofar as ownership rights are concerned, beyond the 1958 agreement the Hungarian Civil Code of Laws also specifies: Ownership of land owned by the state or by cooperatives cannot be acquired by building on such land.

The second large group of Hungarian indemnification claims amounting to billions relates to environmental damage. The American Martex firm estimates that such damage may amount to as much as \$300 million. For a long time the Soviet party did not manifest any interest in the joint settlement of this issue. But after the last meeting of experts there will be no objective impediment in this regard. The third group of Hungarian indemnification claims pertains to the issue of state subsidies—standard and special subsidies—that were part and parcel of mercantile trade subject to settlement in rubles. More precisely: the value of this peculiar kind of export insofar as it can be expressed in forints.

Diplomatic Steps

Among other indemnification claims raised by the Hungarian party one finds uncollected enterprise accounts receivable, damages caused in 1956, claims filed by persons taken to perform forced labor, in addition to the

indemnification of private persons. Settlement of claims filed by former forced laborers supposedly will necessitate new diplomatic steps.

The above mentioned examples suggest that much more negotiation will be required before a final settlement is agreed upon. A new round of negotiations will commence within two weeks, according to persons in authority. The stakes are high, they require the manifestation of a staid attitude by both parties. Hopefully, proper conduct will prevail there not only temporarily, and the final deadline of Soviet troop withdrawal as specified in the agreement will not change.

Military Aides to President Appointed; One Aide Commits Suicide

Functions, Assignments, Policy Described

90CH0431A Budapest TALLOZO in Hungarian No 35, 31 Aug 90 pp 1673-1674

[Interview with Chief Military Aide to the President of the Republic Lieutenant Colonel Robert Pick; place and date not given; article reprinted from MAGYAR HONVED 24 August 90; page not given]

[Text] The MTI [Hungarian News Agency] reported recently: "Arpad Goncz appointed Lieutenant Colonel Robert Pick to become the head of the Military Office of the president of the Republic as well as chief military aide, and Major General Laszlo Zolomy, Colonels Janos Horvath, Janos Reti and Istvan Valoczy to become military aides." Shortly after his appointment we conversed with Lieutenant Colonel Dr. Robert Pick. The chief military aide holds a doctorate in the military sciences, is a radio-electronic surveillance officer, a mathematician and a doctor of the natural sciences. His name became known primarily as the author of an article published by BESZELLO which sparked debate in a series of articles concerning security policy.

[MAGYAR HONVED] May I ask, how did you, a radio surveillance officer, become the first man in the military office of the president, and at the same time the chief military aide?

[Pick] My recent public appearances, the earlier relations I maintained with the TIB [expansion unknown] and two of my writings published in BESZELLO which dealt with military policy issues are the likely causes for my selection.

The fact that during the past 25 years it was my task to observe and to analyze military processes throughout the world and to prognosticate anticipated events, was probably important from the standpoint of being chosen for these positions. I believe that this quarter century experience may provide sufficient background for me to perform in my present assignment.

[MAGYAR HONVED] The idea of your appointment was not even mentioned when your views, published

in BESZELLO, were criticized in BESZELLO and occasionally in other newspapers. Are you still willing to engage in scientific debate?

[Pick] Why not? I cannot feel offended by views that differ from mine. All debate teaches a lesson insofar as I am concerned. And incidentally, I believe that tolerance is the trait one must have at least, and which is also the most useful trait in the course of a liberal debate. But whether I will write again is a different matter. When I wrote I had no other means to contribute to the cause of Hungarian independence.

Perhaps I may refer to the 19 May [year not given] issue of BESZELLO in which I argued on the basis of military points of view in support of quitting the military organization of the Warsaw Pact.... Wouldn't you say that this matter no longer is the subject of debate?!

[MAGYAR HONVED] Indeed it is not.... But let us change the subject and introduce the Military Office, which is unprecedented in recent Hungarian history, and which is known only by a few. And let us discuss the organization of the chief military aide and of the military aides. Will it suffice to know the Revai Encyclopedia description which says that "An aide de camp, an adjutant, is an officer who serves alongside a military commander, to perform the service duties (secretarial functions) of that command, functions not linked to the person of the commander"? Or shall we use the Dictionary of Interpretations which describes the chief military aide as the military expert of the head of state?

[Pick] Indeed, there has been no precedent since 1945.... Accordingly, in my capacity as chief military aide I am the military expert of the president of the Republic. It is my duty to manage the activities of the Military Office, and to appropriately inform the president on subjects related to general military policy and military diplomacy. And according to the Dictionary of Interpretations, the aides within the Office are officers assigned to the ruler or head of state. But in reality they are desk officers covering various types of armament. Major General Laszlo Zolomy is responsible for land-based armaments and all armaments. Colonel Janos Horvath is in charge of air defenses. Colonel Janos Reti deals with combat security, communications and reconnaissance, while Colonel Istvan Valoczy is responsible for personnel and area organization. These officers acquired great experience. They were removed from the army because of their participation in the 1956 fight for freedom, they spent several hard years in prison, and as partial compensation for their sufferings they were recently elevated to higher ranks. They once again agreed to serve as part of the professional staff.

[MAGYAR HONVED] According to what you say, one may rule out that you [plural] are acting in lieu of the president regarding military affairs. I would think that we could much better talk about working upon "orders" of the president, and that you perform analyses in specific subject areas in support of decisionmaking.

[Pick] Of course, no work of any kind is performed in lieu of the president! But we may say even more so that even the smallest detail of our activities is based on the constitutional authority and functions of the president, who simultaneously serves as commander in chief of the armed forces. This is so, because Arpad Goncz must formulate his order of values relative to the national defense forces, and he requires our involvement in order to accomplish this. But even more important is the fact that it is the constitutional duty of the president to approve Hungary's armed defense plan. We must maintain daily, direct liaison with those who prepare this plan, i.e., the Ministry of Defense and the Hungarian National Defense Forces command, and similarly, also in this regard we must regularly inform the president. Decisions based on political, military and economic facts, to be proclaimed over his signature must be supported in this way. Quite naturally, our work related to the defense plan cannot cease after he affixes his signature to a proclamation, because the circumstances of our security change from time to time and the plan must be changed always to respond to new situations.

At the same time, based on his constitutional functions and duties, the president must declare an emergency situation or an extraordinary situation in case the National Assembly is impeded in doing so. We must ensure, or must enforce the conditions for proclamation, such as communications, irrespective of where the president happens to be.

[MAGYAR HONVED] In speaking of the armed defense of the country, we must not avoid mentioning the authority of the president to convene the National Defense Council in case of a possible armed conflict, provided that Parliament is impeded in doing so. What will be your tasks in such a critical period?

[Pick] We may perceive our office as the core staff of the commander in chief of the armed forces, which acquires and summarizes the information needed for defense during the interim period between peacetime governance and a wartime leadership system, i.e., the management system of the National Defense Council. In other words, the wartime management system begins its functioning using this information base.

We could discuss a number of additional tasks, including the authority of the president to appoint the commander of the Hungarian National Defense Forces and of its chief of staff, and the appointment and retirement of generals. But these matters are not part of the Military Office's advisory tasks and functions preparatory to decisionmaking. All in all then, the workings of the Office, of the chief military aide and the military aides are tied to all these constitutional rights and duties of the president. This is why the commander of the Hungarian National Defense Forces established this organization.

[MAGYAR HONVED] In your view, are you part of the Hungarian National Defense Forces?

[Pick] Yes, we are.

[MAGYAR HONVED] Who has authority to hold you accountable for your work?

[Pick] The president of the Republic of course, aside from the fact that as soldiers, the commander of the Hungarian National Defense Forces is our superior.

[MAGYAR HONVED] Would this explain the fact that in recent days you visited several times with Lieutenant General Kalman Lorincz?

[Pick] At present we are in the process of establishing the operational conditions for this office. Thus it should come as natural that I am regularly reporting my concerns relative to starting up this office to the commander who established this organization. In the future it will be one of my basic tasks to act as liaison between the commander in chief, the Ministry of Defense and the leadership of the Hungarian National Defense Forces, and to organize the necessary meetings.

[MAGYAR HONVED] As long as we are discussing current events, let me mention the fact that in one of your writings published in BESZELÓ your final conclusion was the same as the one expressed in a recent statement by foreign minister Geza Jeszenszky in Vienna. I.e., that from the Hungarian standpoint views expressed thus far in the arms reduction negotiations concerning the size and composition of armed forces are unacceptable. Why?

[Pick] I am indeed pleased that I did not miss the point in my earlier study published in BESZELÓ. This issue is more complex than what could be regarded as simple arithmetic about numbers of personnel and armaments. In Vienna, and in subsequent negotiations the securing of Hungary's independence is at stake. We will have to sign the Vienna accords fully aware of the fact that it is primarily ourselves who must provide for the security of our country. This is necessary, if for no other reason because the ongoing negotiations in Vienna are guided by the ideal of collective European security, at a time when not even the outlines of such a system are apparent.

General Zolomy Commits Suicide

90CH0431B Budapest NEPSZABADSAG in Hungarian
28 Aug 90 p 10

[Unattributed article: "Concerning the Aide's Death: The Hungarian National Defense Forces Regard Him as Their Own Dead"]

[Text] Major General Laszlo Zolomy, appointed as military aide to the president in early August, died suddenly last Friday under tragic circumstances, according to several newspaper reports over the weekend. We inquired about the circumstances from Lieutenant Colonel Robert Pick, head of the president's Military Office.

Lieutenant Colonel Pick said: "Major general Zolomy killed himself in his office Friday morning. Saturday's

MAGYAR HIRLAP report claims that a committee chaired by me is investigating the matter. This is not true. A military prosecutor investigated the circumstances of the death, and ruled the cause of death as suicide. The farewell letter left behind by Major General Zolomy is personal, therefore we do not know his reasons for committing suicide. The 74-year old chief officer had a difficult life, the sufferings of the past 34 years also tested his strength. He was happy about his new assignment, he began working with great zeal. Thus we were deeply shocked by his death." We also learned from Lieutenant Colonel Pick that the Hungarian National Defense Forces regard him as their own dead. Farewell ceremonies will take place on 5 September, following cremation.

Raffay on Potential Military Coup, Aides, External Threat

90CH0432A Budapest TALLOZO in Hungarian No 33, 17 Aug 90 p 1553

[“Transcript” of television broadcast from 8 Aug 90 detailing an interview with Defense State Secretary Erno Raffay by NAP TV reporter Tamas Forro; place and date not given: “There Are No Rebels!”—first paragraph is TALLOZO introduction]

[Excerpts] NAP TV invited State Secretary Erno Raffay for a conversation regarding the new military uniforms. And yet most of the conversation dealt with the internal conditions of the Army, the authority of the president of the Republic as commander in chief, and about Hungary's military policy. Ferenc Szekely is the editor of the report, Forro Tamas was the reporter. [passage omitted]

[Forro] We all recall the event that took place in February 1981 when Spanish officers espousing Fascist sentiments made an attempt to overthrow the democratic system by way of a coup d'etat. At that time the situation was saved by [King] Juan Carlos. Wearing his military uniform, he delivered a speech to the army and to the people. Is there such a threat in Hungary, could the army apply force against the new system?

[Raffay] This is an extremely difficult issue. It is no coincidence that the prime minister and the Hungarian Democratic Forum [MDF] placed so much emphasis on establishing governmental control over the Defense and Interior Ministries. I can state with full responsibility that at present in Hungary there is no sign whatsoever of anyone wanting to overthrow the state power by way of armed organizing. Undoubtedly, in times when governmental systems change, various organizing efforts may take place irrespective of existing organizations in society, but at present this kind of threat does not exist in Hungary. The army, the armed forces and the interior forces provide solid support to the government.

[Forro] And yet, the question is not without foundations, because even in the Defense Ministry some high ranking officers were let go because of their political past—I have in mind General Ferenc Szombathelyi for instance. At

the same time a house cleaning of a larger scale did not take place. In light of all this, has the system changed in the army? Are the Hungarian national defense forces and the staff loyal?

[Raffay] An outsider may feel that perhaps a larger scale house cleaning is necessary in the army. During the past two and a half months I had an opportunity to get acquainted with the leading employees, generals and colonels of the army. The way I see it: They were the ones who urged a change in the system last year. The change did not take place according to everyone's liking of course, but after all officers and generals are citizens in uniform and their views may differ. All this, however, does not and will not necessitate a house cleaning.

[Forro] In Hungary the president of the Republic is the commander in chief. In theory then, in a given situation Arpad Goncz would have to lead the action against rebels.

[Raffay] I once again emphasize that there are no rebels! Strictly from the standpoint of law, the relationship between the president of the Republic and the army has been largely defined, although some legal gaps still exist. The basis of the proper relationship is this: The president of the Republic appoints generals based on recommendations made by the minister of defense.

[Forro] The military aides of the president of the Republic were appointed just the other day. What is their function, and what is their relationship with the Ministry of Defense?

[Raffay] Their authority should be defined by Mr. Goncz. Far be it from us to interfere in this matter. Right here you find a legal gap: Nowhere is the function and authority of military aides defined. This of course has its advantages: The president's and Lieutenant Colonel Robert Pick's hands are not tied in defining the authority. Good relationship between the Military Office of the president and the Ministry of Defense is very important, because in theory some minor conflicts may arise between an aide and the Ministry, but thus far nothing like this has taken place. [passage omitted]

[Raffay] As long as our armaments are as outdated as they are, we should really spend our money for technical purposes.

[Forro] People say that such spending should not take place, either....

[Raffay] Unfortunately, we cannot disregard this aspect as long as the situation in Central Europe is the way it is.

[Forro] What you just said makes one ponder indeed, particularly as a result of the example provided by Iraq and Kuwait. One would think that at the end of the 20th century conflicts of this nature could almost be ruled out. On the other hand, it is not difficult to draw a parallel between your remark and the most recent conflict.

[Raffay] Unfortunately, the present Central European situation indeed veils some perceived and real conflicts between nations and countries. And it really makes no difference if a war breaks out as a result of perceived or real grievances. Hungarian security policy is based on the idea that peace must be secured primarily by way of a foreign policy that rules out the possibility of conflict, and not by way of armed forces.

[Forro] And yet, should a sober person count on any external armed threat against the country?

[Raffay] I am convinced that at this time a Central European war may be ruled out. But in dealing with an army one must think in the longer perspective, and past experience must be taken into consideration. After all, the evolution of a regime like, for example, the one that was headed by Ceausescu, is theoretically possible. For this reason we must prepare ourselves for any possibility.

POLAND

Former Political Officer on Colleagues as Scapegoats
90EP0838A Warsaw ZOLNIERZ
RZECZYPOSPOLITEJ in Polish 3-5 Aug 90 pp 1, 3

[Article by Major Grzegorz Knasiak, chief of an educational section in a line unit: "Who Are We?"]

[Text] I dared to take the floor in the discussion on the changes occurring in the military in the hope that you would use the material in the columns of your newspaper (and mine), even if the views were not popular or timely. I do not intend to write at length on subjects like the date of Polish Army Day or the final words of the military oath. I think that this is a different subject, one which is receiving too much attention from ZOLNIERZ RZECZYPOSPOLITEJ, at the cost of issues of greater importance to the military communities, like the matter of officers of what used to be called "the political party machinery."

I am one of them, but I do not want my words to be taken to be the words of an offended successor of Stalinism. Despite appearances, I support most of the changes, and from what I know and have concluded from my observations in the unit in which I serve, a considerable segment of the professional staff holds similar opinions. All this by way of introduction before I go on to the problems which vex us.

During the past several months, the corps of political officers and the entire machine they created has fallen apart, but most of these officers remained in the military units, with the title of "education officer." This move came as a surprise to some of them, especially to those who had little inside information on military life. Meanwhile, these education officers have adapted well to the new reality. This is not surprising, because ultimately our actual tasks have not really changed much. We used to handle formation, the development of discipline, the

unit's cultural life, and proper human relations before, and we still do now. This is our domain. After all, most of us have our degrees in education or a related field. We considered what is called "political and party work" to be a disagreeable activity, something that was imposed by directive from on high and could not be avoided, but the work neither provided an outlet or made it possible to take any pleasure in doing it, because it involved too many question marks.

Unfortunately, political (education) officers bore the blame for all the evils, all the sins and damage perpetrated in the military. They found themselves in the role of the scapegoat. This situation is convenient for many higher ranking commanders who actually were in the nomenklatura, sat in the party leadership groups, were actually the directors of the political and party work in the military, and in a moment of inspiration dreamed up slogans like "Every officer a trained Marxist" and "Every officer a political officer."

Those of us at the "bottom" did not feel comfortable playing the role of janissaries (as people are now trying to accuse us) or the special party avant garde in the military. I personally never dreamed of a career as commissar for a commander, controlling his thoughts and actions. I was motivated mainly by humanitarian concerns. This is also true of many of my colleagues in this field of study at the Officers Training School. I never considered myself to be better or worse than other officers. I thought that I was first of all a soldier and an officer, then an educator, and I placed my party membership further down the list. I know that our group had people who reversed the order of this list in their thoughts and actions. They were the golden-mouthed guardians of the "sacred fire," the exclusive oracles and ardent Communists who did not even have a sense of a military calling (it is because of them, after all, that people say that a "politruk," or political officer, is a poor shot, a second-rate athlete, a mediocre officer of the day, and so on).

And what was the result? While most of the political officers are silent, atoning for their sins (some imagined, others real, insofar as the above-mentioned group of officers is concerned), often humiliated and shoved to the sidelines of military life, others continue to publish, speak up, and again claim to be oracles. The decided majority of this group of "sincere" Communists have crossed out their future with a bold stroke and with a novice's fervor they are writing new pages in their biographies. I rub my eyes in wonder when I read about how some of my senior colleagues who were known in the past for their uncompromising struggle over secular rituals and ceremonies and for their materialist world view are now calling for the wording of the oath to be changed (to include the words: "So help me God") and for other similar reforms. A special sort of contest or race is going on to see who will organize the most religious functions on the grounds of the unit or at least with a chaplain present. Under the rubric "Short Series" nearly every other account begins with the words: "A priest was present" at this or that. There was a time not so long ago

when these same people used to write to the editors beefing up their article with somewhat different words, usually something like this: "The Party Committee and leadership" (yes, indeed, and it had to be in capital letters). It makes you want to cry out: "Have more respect for yourselves, Gentlemen," because in this situation it is curious that even the chaplain of the Krakow Garrison himself (as I read in *ZOLNIERZ RZECZYPOSPOLITEJ*) is not opting for a change in the wording of the oath, because he advocates tolerance for people's world outlook.

Beginning 1 July, education officers ceased to be deputy commanders. They were moved to lower positions. A sort of paradoxical situation was created. We have a vigorous new deputy minister for education who has a by no means unimportant say in these and other matters at the central level. Meanwhile, his people in the units ceased to be equal partners with a great share of the officers. Formation lost out to technology, training, and quartermaster security. All these latter areas still have their representatives ranking as deputy commanders. This situation creates understandable frustration among education officers. Some of our ex-colleagues and subordinates engage in petty malice which is unpleasant for us too. They hardly create the best impression of themselves or the relations prevailing in the officer corps. Although I try to understand them too, there must certainly be many people who are relieved that parties have been found to bear the guilt of their own failures in leadership, formation, and so on.

Education officers are currently taking the current changes as retribution for everything which now has a pejorative ring: for martial law and internationalist friendship, for Dzerzhynski, who was the patron of the Military Political Academy, and finally, for the fact that society assigns less prestige to the military than it used to. This is painful and creates justifiable fears as to the future. There is more and more talk about the fact that it is possible that in the near future all the people who used to be education officers will have to give up the uniform, to be replaced by new people without the stain of previously working in the political and party set-up. Right in *ZOLNIERZ RZECZYPOSPOLITEJ* I read a statement by one of the young pilots (during a meeting with deputy minister Komorowski in Pila) that there had been a proposal to requalify him for the position of education officer. I am beginning to have doubts. Just what is the actual personnel policy in the military? How are they going about looking for savings? After all, we are all aware of how much it costs to train a pilot. On the other hand, there are hundreds of education officers retiring to the reserves or looking for new positions, because there are not enough positions for them all. Maybe somebody will explain what all this is about.

Another problem is the psychological condition of the military. This applies to all of us, not just education officers and people in uniform in general. We can say that the condition is a reflection of this situation

throughout society and rightly so. This is why we must say quite openly that things are not the best in this regard in the military either.

Despite declarations that we finally have a national army, that this is a smaller but more powerful army, that we are living in a common house, and so on, my observations have led me to the conclusion that the recent stormy years and months have nonetheless weakened the military. Here it is not a question of technical or material weakness or reduced personnel figures. We could get along with these things out of necessity. After all, we have been living under crisis conditions for some time. What is disturbing is something else. First, the decline in the prestige of the soldier and the whole army in society. The many centuries of the ethos of the army and the uniform, and the values that they carried with them in our society and our nation are probably coming to an end. Neither slogans nor legal measures will not be able to fill the vacuum that pacifist and antimilitary propaganda have created, largely in the consciousness of the younger generation.

Was the whole chapter in our traditions entitled "Polish People's Army" really a lost period? Were the many years of service and work by thousands of honest people in the ranks of this People's Army still a cause for pride or for shame instead?

Many professional soldiers took as a personal insult Prof. Z. Brzezinski's statement on the TV program "Interpellations" or "100 questions on ..." (I cannot remember). He glorified Col. Kuklinski, saying more or less, as I recall: "But there was in the Polish Army a true patriot, a courageous officer, who risked his life to give the American government top secret documents on martial law." Now, if a person who has made his career in this People's Polish Army then becomes a spy for a foreign country (regardless of the reason that led him to it or how close a friend the other country is to Poland) and is proclaimed a hero and sincere patriot, then in this case what are we? If we follow that logic, we are traitors, collaborators, and heirs to the treason of Targowica. Prof. Brzezinski could not know the complicated conditions of our internal situation (as he, after all, admitted on the program). Something else comes to me. None of the people posing the questions in the TV studio denied this statement. Did they all feel the same way? Under these circumstances, the situation which has been created surrounding the military is not especially surprising. We professional soldiers take this very personally. After all, the military is our profession, our calling, and our daily bread.

Meanwhile, what is happening? Well, in our eyes the uniform has ceased to be a cause for pride. Any higher aspirations, rationale, ideals have subsided. Our people are asking more and more often: "How soon?" It is difficult to devote yourself entirely to military service, if it does not pay enough for you to be able to support your family. This is why a large proportion of professional soldiers "earn something on the side," and nobody is

particularly surprised. There are also those, however, who have some outside business, and the more courageous ones travel abroad "as tourists." My feelings about this are no longer so unequivocal. On the one hand, my reflex is to shudder when I see an officer I know selling cans of beer or chewing gum on the street. On the other hand, though, I explain this away to myself as a response to the cry we hear everywhere to be enterprising and as a result of the gradual impoverishment of our profession.

Our men are frustrated, and with more than just the material conditions. We are not all that egocentric. We are disturbed too (and perhaps mainly) over everything that is weakening the army, its strength, its combat capability, and its prestige in society. The slander and indiscriminate attacks hurt us. It is annoying to have old equipment that is always having to be repaired. Stress is created by the personnel in the training films about the Western armies (while our sad, impoverished reality by comparison absolutely screeches out at us). We wonder about the meaning of the so-called "thrift" exercises and other programs. We ultimately have ambivalent feelings about the manner and goal of the restructuring. Finally, we are bothered by the psychophysical aspects of our soldiers, features which are becoming worse and worse as the years go by, including their motives for entering military service (actually the fact that they have no motives), as expressed, for example, in the increased aggressive behavior with regard to themselves and those around them, the tendency to exercise their actual or

imagined privileges, at the detriment of their duties, and the eroded external discipline, chiefly during leave on passes, and so on.

The country's defense potential is more than merely a strong, well-equipped army. This is a basic factor but not the only one. In order to function well, every army has to have the backing of society. If people in military uniforms are to carry out their mission effectively, without stress, they must feel that they are a civic necessity in society. On the other hand, civilians must be aware that the army is protecting the interests of all, that defense issues concern all of us.

Meanwhile, despite the congratulatory scrolls to mark the occasion, professional personnel as a group still feel themselves alienated from society. We have probably gained credibility as an army of the whole nation. We are implementing many changes in keeping with the spirit of the times, but so many people are still treating the army as an institution that is not at all necessary, a abscess on the political and economic organism, a bottomless pit in terms of the state budget. But, after all, everyone knows or ought to know the truth of the matter! We have come onto lean years, with no end in sight. What next? Who will guarantee that tomorrow we will not need a strong, efficient army which is not psychologically broken? Forecasts as to the development of the situation beyond the western and eastern borders tend more towards wishful thinking and yearnings than real analysis, which should include a variant of events reflecting the worst situation from the viewpoint of Polish reasons of state. Can we afford such nonchalance?

BULGARIA**Declining Production of Petroleum-Based Goods**

90BA0321A Sofia IKONOMICHESKI ZHIVOT
in Bulgarian 29 Aug 90 p 11

[Article by Atanaska Ruseva: "What Is Happening in the Burgas Petrochemical Combine? Just a Little or Nothing at All..."]

[Text] The shortage is noticed perhaps not in the most painful way, but certainly in the most obvious way, by the enormous long lines at the gas stations. The liquid fuel used for heating in winter could represent another blow below the belt for us. Secondary waves of the petroleum shortage are directed toward the tens of enterprises whose raw materials supplier is the Petrochemical Combine in Burgas. Now, after the complications with the relations with Iraq, things are getting even more unpredictable. This is why we have asked our associate, Atanaska RUSEVA, to provide information on what exactly is going on with the industrial and financial affairs of the largest enterprise in our country.

Here are two reports on the subject:

This combine, as the saying goes, has seen the best and the worst... There is hardly a more talked-about enterprise in Burgas; good things were said until yesterday (that it supports not only the oblast, but also the national economy), and today, that is practically the worst enemy of the people and the environment. After 10 November, when the truth was revealed, emotions ran high against this illegally large chemical enterprise which (can anybody still explain exactly what it is doing in this very place?) is ruining our chosen-by-God Black Sea Shore.

Well, let us...

...Say It Out Loud

Life is given to us once and everything should be done to help it, not ruin it! What have we done right so far that we should expect our laws to be the way laws are supposed to be? This is what happened with the Environmental Protection Law. Its first version came out in 1967 when the oil refining and petrochemical industry near Burgas was making great efforts to dazzle the world with its size and production rate. This law was not worth even the paper it was printed on because no one paid any attention to it. As before its enactment, hard currency needed for efficient pollution control equipment could not be spared (come to NHK [Petrochemical Combine] to see the number of folders containing documentation of this!), and as before the only lord and master was the [five-year] Plan. The momentum was all-encompassing. Until Burgas was doomed by NHK to polluted waters, "fragrant" air, and wasted land.

But at the same time, can Burgas, (and the national economy) survive without the NHK? If there is anyone

harboring illusions that anything available in short supply today in the stores will be more available tomorrow is not at all too knowledgeable about "tomorrow." It is not going to get better any time soon, and it won't be easy. The machinery is turning, chewing up lives to reduce the national economy to rags. Before 10 November, it was said that it seems NHK Burgas is the only profitable system in Bulgaria. Sometimes at profit, sometimes at even exchange, petroleum products from Burgas reach 50 countries in the world. And 80 percent of the multibillion volume of the combine goes directly into the national economy, 90 percent of Bulgarian industry uses materials from the combine as packaging; 60 per cent of all chemical enterprises in the country receive supplies from NHK. Perhaps it is truly more healthy and advisable for us to live without these 60 percent chemical enterprises. Then NHK would not produce so much, and the toxic consequences would be fewer. However...

...Petroleum Chemists Do Not Decide...

...this. And they do not decide whether they should keep open or close the plants for which oil is inadequate.

The "Neftoprerabotvane" [oil refining] plant is running at half its usual capacity. This plant is the input-output point of the combine and 80 percent of the combine's end results depend on it. Compared with the first six months of last year, there were 1,300 thousand fewer tons of oil refined in the first half of this year. Industrial yield is 308 million leva less than last year. Gasoline production is down by 200 thousand tons, motor diesel fuel is down by 600 thousand tons, industrial diesel fuel is down, so is production of normal paraffins, and propane and butane... The percentage of light petroleum products obtained is low and this is the most valuable indicator of refining efficiency. The deep oil refining complex is working inadequately. A number of installations and entire production operations have been closed down. Instead of the necessary 36 to 37 thousand tons material per 24 hours, only 15 to 16 tons are refined.

These imbalances shake up the entire economy. It is known that there is a shortage of gasoline, fuel in the country is insufficient, and that this reflects on all sectors of the economy. The worst part of it is that things are not getting any better. Because in addition to the oil shortage, petrochemists are confronted with another difficult reality. This year the raw material coming in for refining is very different from that in the past. A significant part of it contains potentially low amounts of light petroleum products which causes tremendous technological problems. Another part is high risk material. It is called "Fau-Blend" [name transliterated] type oil which is being refined for the first time in NHK-Burgas and has almost three times the sulfur content of ordinary Soviet oil for which, in fact, the facilities were originally built. How can we then produce petroleum products with greatly reduced, according to Bulgarian State standard and in unison with European standards, content of this harmful component? Months of negotiations with the

government have already passed in seeking a compromising alternative, while this has maintained producers in constant uncertainty. The material expenses of the suboptimal production rate are constantly increasing. It is better not to talk about qualitative economic indicators for the period at all, because they are complicated additionally by some payments "deferred" into infinity by the "Petrol" firm, the most significant basic product client. Even the very advisable step taken by the plant management, to refine a small part of the oil with materials supplied by the client, will not smooth out the rough edges of the combine's finances.

This will be so, even though at the same time two other technological plants, the "Neftohimia" [Petrochemistry] and "Polimeri" [Polymers], have surpassed themselves during these months by generating production well over one hundred percent. But they are only drops in the ocean compared to the "Neftoprerabotvane" plant output needed in the national economy and for export.

The Future Is Too Unclear...

...for us to seek an optimistic end. The Soviet Union announced not too long ago, that it will reduce oil supply to the CEMA [Council for Economic Mutual Assistance] partners, but so far has not specified whether quantities destined for Burgas will not make it. Oil drips in by a spoonful per day or every few days, and while there is something entering the installations, the petrochemists will try to make the most of every drop. And after that, only common sense will decide. What would happen if people continue to insist to go ahead and close down this combine; let us see if it is better to have just a little or nothing at all.

GERMAN DEMOCRATIC REPUBLIC

Future Expansion of Telephone Network Detailed 90GE0269A East Berlin DIE DEUTSCHE POST in German No 4, Jun 90 pp 151-154

[Article by Chief Director Dr. Willi Guelzow and Chief Officer Wolf Reiner Menzel, General Directorate for Telecommunications, Deutsche Post [GDR Postal Service]: "Status and Future of Telecommunications in the Deutsche Post"]

[Text] In the wake of the economic reform which has been initiated, the historic events since last November have produced remarkable changes in all sectors of social life. Concrete cooperative efforts are in the offing in economic circles. The tourist industry is undergoing increasing development. On both sides there is a high level of readiness to work together. How this development will take place so as to be of value to our citizens depends to an appreciable extent on how the telecommunications infrastructure is expanded.

The "ministers of post and telecommunications" in the FRG and GDR have given mutual cooperation the

"green light." By virtue of a number of immediate measures and intermediate and long-term plans, the two post and telecommunications administrations in the FRG and the GDR will see to it that communications and communications connections for citizens and the economy are improved as quickly as possible.

Basic Situation

The republic's telecommunications network is in a hopeless state. Some 65.7 percent of the switching equipment is over 30 years old, with 20 percent of that more than 60 years old. The housings are utilized to full capacity, switching equipment installations, switch points, connecting cables and subscriber line cables are wired up to a reasonable limit. About 60 percent of the lines are party lines. While in areas with new housing construction acceptable supply capacities were in part possible from building new telephone exchanges and the accompanying network—a substantial difference between Berlin and other bezirks is widely recognized, the installation of telephones in conventional residential areas, in developments and in rural communities was neglected to an unreasonable degree. Thus, in 3,533 rural communities and developments with up to 2,500 residents there is not even a public pay phone.

As of 1 January 1990, 1,826,190 subscriber's lines were installed. The offices of the Deutsche Post [GDR Postal Service] have 1,200,000 unfilled applications with a waiting period of up to 20 years—some even longer. These also include a number of applications with high social urgency (for example, the most severely handicapped, physicians, district nurses, trade enterprises, service facilities). In recent years the waiting line for telephone installations has developed in an extremely negative way, both in scope and in waiting time. Profits from telecommunications operations, including those from the FRG's flat postal rates, were not available for use in the relevant sector, rather they were used for other sectors of the economy and to provide internal subsidies for totally different sectors. Thus, it was not remotely possible to develop telecommunications in a way which was directed at the needs of the economy and the people.

For years the ministers for post and telecommunications, in a variety of presentations to the then party leadership and the government, had pointed to the disastrous faulty development of the telecommunications infrastructure as an economic growth carrier and as an expression of the quality of life of the people. Ideas for further dynamic development in new segments of growth were submitted in design plans. Ignorance, arbitrariness, and false estimates of the actual economic situation and quality of life prematurely quashed all suggestions. Thus, the German Post Office was not in a position to reduce the economic damage which had come about as a result of predetermined capital assets which in a substantial way had been centrally calculated too closely by the government.

Strategic Development Design

In the next few years the primary task for the Telecommunications Division of the Deutsche Post will be fast quantitative and qualitative expansion of the hopeless telecommunications network. The most comprehensive modernization and expansion of the telecommunications infrastructure which the GDR has experienced to date must make a substantial increase in supplying the people and the economy with telecommunication services. This requires setting a tempo in the next few years which will permit installing several million new subscriber's lines. At the same time developing the infrastructure must be organized in such a way as to achieve compatibility with the structure of the Telecommunications Division of the Bundespost [FRG Postal Service] and to make possible the proposed merger of the two systems.

Following the current trend with respect to announcements concerning installation of subscribers' lines, we anticipate in subsequent years substantially higher pressure from enterprises, businesses, and private customers for telecommunications capacities. By coordinating with the Bundespost's Telecommunications Division we are countering this pressure with a design involving clear objectives on a scale which internationally has hardly been equaled. All measures up to 1997 by this industry are focused on installing:

- 7.1 million new primary telephone lines
- 60,000 new public phone booths (card and coin telephones)
- 300,000 C and D system mobile radio lines, in the following stages:

	Primary Telephone Lines	Coin/Card Telephones	Mobile Radio Lines
1991	300,000	4,000/2,000	3,000
1992	500,000	4,000/6,000	7,000
1993	800,000 ¹	4,000/8,000	20,000
1994	1,200,000 ¹	2,000/8,000	50,000
1995	1,400,000 ¹	2,000/8,000	60,000
1996	1,400,000 ¹	1,000/7,000	80,000
1997	1,500,000 ¹	1,000/3,000	80,000
(1990)	100,000	2,000/100	500

¹based on digital switching equipment

In addition to measures to supply telephone lines, telex lines (6,000 by 1997) and to make marked improvements in telephone traffic with the FRG and West Berlin, other important telecommunication services must be expanded or developed (for example, telecopying service, data service with 50,000 data connections to the national Datex P system of the Telecommunications Divisions of the Bundespost and the Deutsche Post by 1997, videotext service).

Immediate Measures

A first step in our development design will take shape with the installation of 100,000 subscriber's lines in 1990. Approximately 2,000 GDR-produced coin telephones for long distance direct dial service and coin telephones which were provided by the Bundespost will be new installations primarily in rural communities and developments with more than 500 inhabitants.

Some 100 card-operated telephones which use telephone credit cards will be put into operation.

Various inner-German task forces from the post and telecommunications system sector are hustling to make concrete improvements in telecommunications capacities to benefit the economy and the people.

There is agreement on:

- purchasing 18 analog and 14 digital container telephone exchanges;
- accepting 2,500 system 63 coin telephones;
- accepting more than 1,000 small pay phone booths, about 200 mobile emergency power systems, a rather large number of small and medium-size private branch exchanges, telephone end items and other facilities related to telecommunications technology.

The containers with digital switching equipment are being put into operation in Dresden (8)—3 containers were put into operation on 4 May 1990—Chemnitz, Zwickau, Reichenbach, Borna Sued, Neustrelitz and Erfurt (1 each). After creating the necessary prerequisites in the telecommunications network, about 34,000 subscriber lines will be realized. Neubrandenburg, Magdeburg, Halle, Leipzig, Chemnitz (3 each), Erfurt (2), Frankfurt/Oder (1) were established as operation sites for the containers with analog switching equipment (motor uniselector system) which were taken out of service in the FRG. Thus, 20,000 more subscriber lines are being installed.

As a result of coordination with the FRG's telecommunications division, provision is being made for a more than twofold increase in the number of telephone circuits in 1990.

Medium- and Long-Term Measures To Expand the Telecommunications System 1991-1997

The strategic objective is based on expanding or building up at minimal cost a telecommunications system for all services and performance features.

In order to achieve operationally effective results in a relatively short period of time, starting in 1990 a digital network (overlay network) which is superimposed on the conventional analog telecommunications network will be built in stages. This network must be continuously expanded and in the future will replace the existing analog network.

Parallel with the expansion stages, the analog telephone system must be maintained as the material-technical basis and expanded on a limited scale.

First Expansion Stage 1990-1991

As a first step an international digital telephone exchange (IVSt) will be established in Berlin in 1990/1991; it will be used for all international automatic and semiautomatic traffic (Figure 1). Provision is made for a digital link toward the FRG by switching in the IVSt.

The highest level of the overlay network is scheduled to have trunk exchanges (FVSt) at locations of specific analog main trunk exchanges (HVSt). This will be used to handle all internal long distance traffic.

In the HVSt sectors with digital FVSt, junction exchanges (KVSt) which are to be of new construction will be built as digital FVSt's.

At the same time digital local telephone exchanges (OVSt) will be built at digital FVSt locations.

The first expansion stage calls for building digital FVSt's in the following order:

- Dresden, Leipzig, Chemnitz, and Erfurt for the south-eastern GDR
- Neubrandenburg and Rostock for the north of the GDR

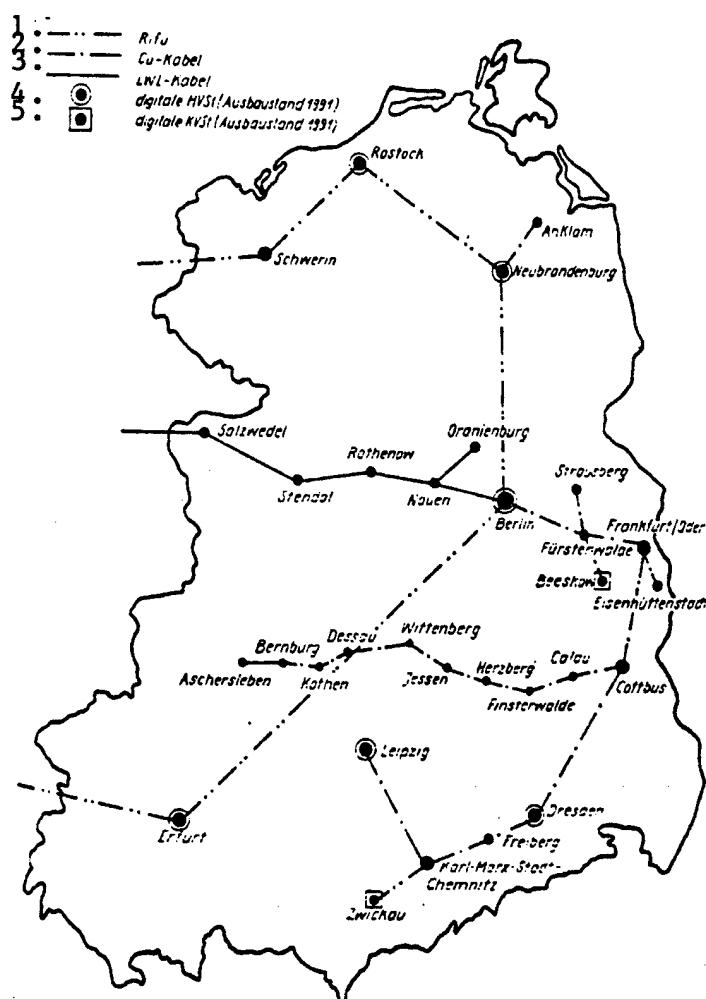


Figure 1. Digital Overlay Network 1990 to 1991

Key:

- 1. Rifu [directional transmission]
- 2. Cu cable

- 3. LWL [light wave conductor] cable

- 4. Digital HVSt [main trunk exchange] (1991 level of expansion)
- 5. Digital KVSt [junction exchange] (1991 level of expansion)

- Zwickau and Strausberg as combined local and trunk exchanges and
- immediate construction of a digital remote exchange in Berlin after the first expansion stage.

FVSt's are to have primarily digital connections with one another and with the IVSt. Until the relevant junction lines are completely digital, the FVSt must provisionally guarantee switching of the analog telephone channels. In addition, linkages with the existing telephone system of the Deutsche Post must be installed in all the planned FVSt's.

Second Expansion Stage 1992-1997

By the end of 1995 expansion of the digital overlay system is supposed to insure that digital FVSt's (HVSt/KVSt), including the relevant OVSts, will be in place in

all GDR bezirk cities (Figure 2). In addition, light wave conductor (LWL) cable installations involving Berlin-Leipzig-Gera-Erfurt with transmission to the FRG and Berlin-Magdeburg-FRG will be put into operation. Analog radio-directed long distance communication connections will become digital. As a result of coordination with the Bundespost, mobile radio connections of the Deutsche Post's C-network will be realized along the autobahn transit routes as well as with the use of the West Berlin mobile radio system in East Berlin, Leipzig, and in an extensive buildup of a large area mobile radio system (D-network), and there are plans for introducing radio calls (city calls).

Network junction points in the gang-relayed data network are being established in 11 other bezirk cities.

Rebuilding the telex network with modern digital equipment is being initiated.

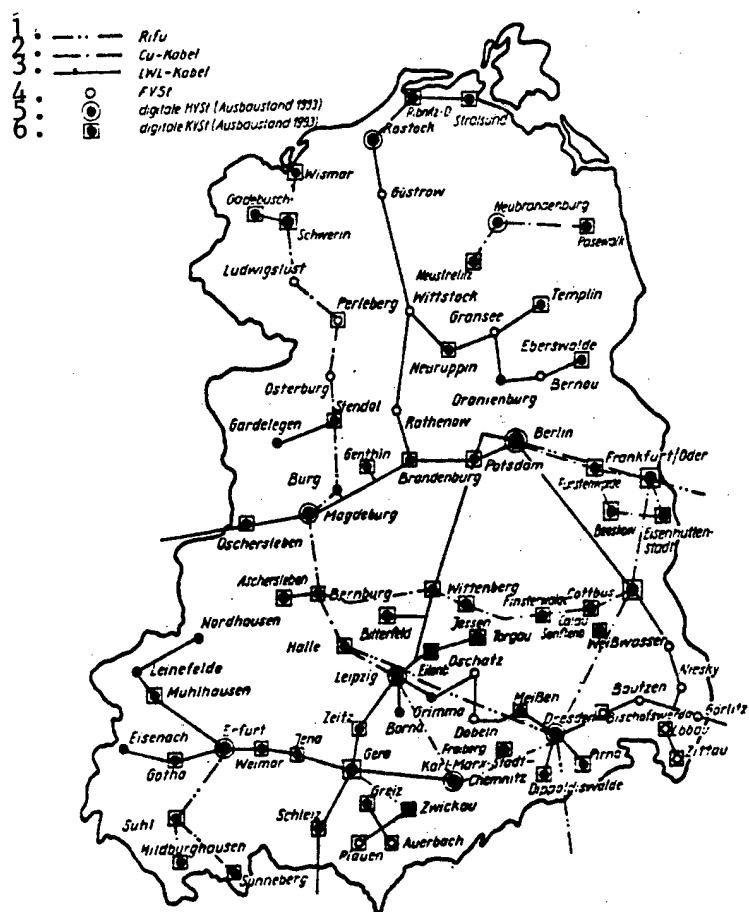


Figure 2. Digital Overlay Network 1992 to 1995 (continuation of Figure 1)

Key:

Key:
 1. Rifu
 2. Cu cable
 3. LWL cable

- 4. FVSt [trunk exchange]
- 5. Digital HVSt (1993 level of expansion)
- 6. Digital KVSt (1993 level of expansion)

The technical prerequisites to introduce videotext service are being created.

Further expansion of the telecommunications network will be done exclusively with digital equipment. Expanding the digital channels as a substitute for conventional TF [carrier frequency] long distance communication equipment is being continued with efficient LWL cables and PCM [pulse code modulation] equipment involving a large number of channels.

The digital mobile radio system is gradually being expanded into an areal system.

Provision has been made for properly realizing the material-technical basis for text and data communication as well as for videotext.

Installation of 2 million telephone lines, 100,000 mobile radio connections and lines for other service is scheduled for the years 1998 to 2000.

Energy Consortium Director on Energy Priorities, Problems

*90GE0276A Dresden SAECHSISCHE ZEITUNG
(supplement) in German 24 Aug 90 p 3*

[Interview with Prof. Dr. Joachim Grawe, managing director of the FRG Association of German Electric Power Companies [VDEW], by SAECHSISCHE ZEITUNG Editor Wolf Dieter Liebschner; place and date not given]

[Text] [Liebschner] Professor, you have given lectures in the GDR, at the Technical University in Dresden, among other places; you have been a guest on television. What is the VDEW's [Association of German Electric Power Companies] overall commitment in the GDR?

[Grawe] We have been available to plants in the GDR since 12 July. There have been discussions with the former energy combine about a possible merger. Cooperation is possible in the most diverse specialized committees, where there is an exchange of experience and joint guidelines are worked out. Participation in continuing education programs would be desirable. The GDR needs to make up a considerable amount of ground in the commercial and legal areas as well as in publicity work. Energy supply is a public concern, so it needs publicity. We are considering setting up an office in the GDR.

[Liebschner] Energy supply in the GDR is a red-hot iron technologically and ecologically. What is your view of the situation?

[Grawe] I see four major tasks for the near future and the long term:

1. In spite of scant reserves and possible shortages and disruptions, the energy supply must be assured even in extremely cold winters. Presently there are no assurances that this will be the case. An expansion of capacity is urgently needed.

2. In order to reduce the extremely high level of environmental pollution from soft coal generating plants, retrofitting and/or upgrading is needed with installations to remove sulfur from exhaust gases and to reduce nitrous oxides.

3. The efficiency of the electricity supply must be improved, that is to say, the efficiency of the plants has to be increased, grid losses that are blamed on the age of the hardware must be brought down, as well as providing the consumer with at least a minimum of the most rudimentary means of regulation. In the case of the latter I am not even thinking about thermostats right away.

4. Energy supply in the long term is not even practicable, if energy prices are lower than generating costs. At eight pfennigs per kWh [kilowatt-hour], subsidies are being handed out on the principle of something for everyone. Retirees, for example, would have to be granted an energy subsidy in the event of higher rates.

[Liebschner] How high are energy rates in the FRG, and how is the price arrived at?

[Grawe] Industry pays 16 pfennigs per kWh, private households pay 23 pfennigs per kWh. Those are average rates, they differ from supplier to supplier. The price is set by the producer; it is determined by his costs. Usurious practices, as far as the industry is concerned, are eliminated through the alertness of the cartel office. Prices for homes have to be approved by the individual Land governments. In order to have prices approved, the company has to open its books.

[Liebschner] Supposedly the energy industry in the GDR is to be bought up by West German companies. To many people in this country this seems to be tantamount to a sellout.

[Grawe] The three largest energy supply companies in the FRG, RWE AG, Essen, PreussenElektra AG, Hanover, and Bayern AG, Munich, are temporarily assuming management of the integrated power companies in the GDR, as well as major load distribution through a joint partnership. For the future, the task of the business management company is to ensure the supply of energy, reform the enterprises, and acquire the necessary financing.

The need for investment is enormous and cannot be met by the GDR from its own resources. Over the next 10 years we are talking about approximately DM100 million.

[Liebschner] The formation of a business management company of this magnitude would result in an enormous concentration in the GDR. Do you consider this advantageous from a free market perspective?

[Grawe] There are many different models for that in the West. On the one hand there is the FRG with a multiplicity of companies; in France there is only one company. I personally am not enamored of unified companies. Somehow they all fall asleep sooner or later. There is simply no competition.

[Liebschner] Competition in the energy supply business? The consumer is not in the position to choose between several suppliers.

[Grawe] That is true. But there is indirect competition among the energy companies, for example, regarding prices. In our company a table is published once a year. The experts have sufficient ambition to want their company to be right at the top, for their company to be supplying energy economically to the consumer.

[Liebschner] Whenever the talk turns to the subject of energy supply, the pictures of the future are often painted in gloomy colors. Is pessimism in order?

[Grawe] I have a very low opinion of *the* solution for the future. It does not exist. To address the three factors of an assured supply, environmental compatibility, and inexpensive production, compromises are necessary. I would like to emphasize two eminently important points: energy conservation and prices that cover costs. Both of them will certainly have to be taken into consideration in order to solve the energy problem.

[Liebschner] The GDR is in a particular dilemma: heavy dependence on soft coal. The alternative is controversial nuclear energy. Might there be any other alternatives?

[Grawe] The situation in the GDR is certainly not favorable. Of its energy, 85 percent comes from soft coal, 10 percent from nuclear fuel. In the FRG the main sources are distributed as follows: 34 percent nuclear, 30 percent hard coal and 18 percent soft coal. Only compromises will allow us to continue. Energy does not come from heaven, so the percentage of soft coal will not drop to zero in the foreseeable future. Nuclear energy will have to be given greater space as a percentage, as will natural gas and petroleum. That is the case not only in the GDR, because energy needs are rising drastically worldwide. At the present time, alternative solutions are not able to come even close to meeting our energy needs.

[Liebschner] But they do exist. Regenerative energy is a buzz word.

[Grawe] This is true: It was possible to advance the generation of electricity from regenerative energy and waste materials considerably in the FRG in 1989. The number of plants for public supply rose by 10 percent to about 840. As before, hydroelectric had the largest share with more than 600 plants. These forms of energy meet five percent of total electrical consumption from the public grid.

[Liebschner] What is the significance of private plants?

[Grawe] There are 4,000 of them in the FRG, supplying current to the public grid using water, wind, solar, and waste materials; as a total that comes to barely one half of one percent of electrical power generation. Hydroelectric is clearly predominant here as well.

[Liebschner] The mention of nuclear energy is a red rag. Particularly since the disaster at Chernobyl, this form of

energy generation is hotly debated, not least in the FRG. For example, protests from environmental groups were the cause of the fast-breeder reactor in Kalkmar (Niederrhein) being unable to begin operation. Nuclear energy is regarded as playing with the apocalypse.

[Grawe] Apart from the fact that nuclear energy can be only one element of generating electricity, it is currently the most environmentally compatible form of all significant forms of production. The safety standards in nuclear power plants in the FRG are so outstandingly high that I would like to say without reservation: a Chernobyl could never happen in our country. In addition, the opposition stance of the green movement toward nuclear power plants also stemmed from the fact that both, environmental awareness and nuclear power, developed about the same time, so there was instantly an object available for the movement. The weightings are shifting today. For example, today there is more discussion of climate changes and the tropical rain forest. On the other hand, the actions of the environmentalists have helped to bring about these perfect safety systems in the FRG. That has to be valued very highly.

[Liebschner] You have already indicated the difficulties which the GDR energy industry could encounter in a severe winter because of its scant reserves. How could the FRG help if the worse came to worse?

[Grawe] Hardly at all. There is only one power line of any size, between Helmstedt and Magdeburg. An exchange is impossible, because the energy systems of Eastern and Western Europe are not compatible. Our system is based on the stable 50-Hertz system, while the system in the East is subject to severe fluctuations. If electricity were supplied from West to East, the grid in the FRG would collapse.

[Liebschner] So for the present conservation is the only philosopher's stone for us, at least for the short term.

[Grawe] Yes. The GDR has the largest reserves in this regard. In the GDR 7.7 tons hard coal units are consumed annually per capita to generate electricity, only 6.4 tons in the FRG. Put another way: Energy consumption per DM1,000 of production comes to 414 kg hard coal units in the GDR, in the FRG it is 238 kg. This can be ascribed partly to higher efficiency in production, but also to better household appliances in the West which consume about 50 percent less energy than comparable appliances in your country.

[Liebschner] The advantages and disadvantages of energy production in the FRG, in the short term rather than the long term, will determine the energy situation of a united Germany. What does the current situation look like?

[Grawe] I would like to describe the situation as an "orderly retreat" from domestic hard coal. Our deposits are certainly enormous—13 billion tons have been determined, less than 100 million tons are being mined annually—but costs are rising immeasurably. The most

profitable pits are 50 to 100 percent above the world price—on the average we are mining at three times the price. In the long term, that cannot be justified with respect to cost-covering energy prices to the consumer.

[Liebschner] Under these conditions, why is mining still continuing?

[Grawe] That is primarily a social question. The pits that are the most unprofitable are often the only opportunities for work in a particular region. So they are kept open. But, viewed as a whole, production is of course declining. Attempts were made to locate other branches of industry in the Ruhr, in the same way that has proved successful in the Black Forest, for example, with microelectronics. It failed because of the ingrained miner mentality. Coal has determined people's outlook in the Ruhr for generations. That is not easy to change.

[Liebschner] Where will the hard coal of the future come from?

[Grawe] Increasingly from imports. Poland will not be a factor because of its economic situation, the prospects for Soviet coal are also poor. In this case it is a transportation problem. That leaves the United States, Canada, too, where they are basically just starting to exploit their reserves. We could also mention Columbia and Australia, and any government you can imagine in South Africa will take its profit on a pound of hard coal.

[Liebschner] Professor, thank you for the interview.

[Box, p.3]

Prof. Dr. Joachim Grawe

Prof. Grawe is managing director of the Association of German Electric Power Companies—VDEW e.V. The VDEW is the economic association of the German electric power industry. Its members include the large, almost all of the medium-sized, and most of the small public suppliers: A total of more than 700 out of just over 1,000 power suppliers. VDEW members meet about 90 percent of the demand for electricity in the FRG.

HUNGARY

Economic Implications of Soviet Oil Cutbacks Analyzed

90CH0441A Budapest HETI VILAGGAZDASAG
in Hungarian 27 Jul 90 p 11

[Unattributed article: "The Hungarian Oil Trap"]

[Text] At first the Soviets claimed technical flaws when they turned off the main valve for a day and a half on 10 July. Subsequently, beginning on 12 July, they reduced the volume of oil deliveries to Hungary by 30 percent as promised earlier. Thus it may be expected that in the third quarter only 1.134 million tons of oil will be piped

instead of the 1.62 million tons provided for in the agreement. It is very unlikely that the volume of Soviet deliveries would be restored to the original contractual levels during the fourth quarter, according to Lajos Antal, commercial director of the National Crude Oil and Gas Industry Trust (OKGT).

The unilateral breach of contract on part of the Soviets touched a sensitive nerve in the Antal cabinet. By the end of the year, the amount of oil to be exported by the Soviets to Hungary will be 1 million tons short of the agreed upon volume, even according to OKGT's optimistic calculations. Last year Hungarian enterprises exported crude oil, crude oil derivatives and carbohydrates worth \$400 million to Western Europe. Due to Soviet reductions in oil deliveries, this year Hungary will be able to sell 600,000 tons less of these commodities, worth \$70 million. Viewed from the governmental standpoint this is only one side of the coin. The other side is that the shortfall of 1 million tons in oil deliveries reduces so-called import differential sales tax revenues, creating a loss of 4.4 billion forints in the state budget.

Based on the Bucharest pricing principles, beginning on 1 January 1990 the price of a ton of Soviet crude oil stood at 96.3 rubles delivered to the Hungarian border, according to OKGT economic division director Mrs. Dank, Veronika Szentgyorgyi. This amount is the equivalent of 2,648 forints. One should add to this five forints to be paid in commissions to the importer Mineralimpex, and 89 forints for domestic freight. Altogether then, a ton of Soviet crude oil costs the OKGT 2,747 forints before it reaches the refinery. (As a matter of comparison, during the first quarter Hungary purchased 210,000 tons of crude oil from Iraq. This cost 10,800 forints per ton delivered to a refinery.) The domestic producer price of crude oil was determined on the basis of the 7,170 forints so-called main market price, (i.e., the international commodity market prices of various kinds of crude oil), and 4,428 forints over and above the 2,742 forint Soviet import price are being withdrawn by the budget in the form of import differential producer sales taxes.

At this point we are already short of at least 60,000 tons of gasoline as compared to what is considered as the secure level of gasoline supply in Hungary. Reductions in product inventories by OKGT until the end of the year will be of no help. According to OKGT calculations 280,000 tons of supplemental crude oil will have to be imported for sure. At its 19 July meeting the Council of Ministers decided that a maximum of \$41 million may be expended for this purpose. (In the refining process roughly \$13 million worth of other products suitable for exporting are created, in addition to the needed gasoline. Thus the net amount to be expended for gasoline will be \$28 million altogether.) According to Mrs. Dank, due to the highly dynamic increase in gasoline consumption there is concern that not even the 60,000 tons of gasoline will suffice. OKGT data indicate that last year 2.5 million tons of gasoline were used in the country. This volume differs from the 2.68 million tons shown by the

National Statistical Office. Of this volume 818,000 tons constitute chemical industry benzine, 1.66 million tons constitute gasoline for motors, and 41,000 tons are other kinds of benzine.

Beginning next year, when dollar-based settlement is introduced in Hungarian-Soviet trade relations, the thus far low Soviet crude oil price will be suddenly raised by multiples of between 3.5 and four. According to preliminary calculations this will amount to an added expense of roughly 19 billion forints to Hungary, payable in hard currency. The budget faces a substantial disaster as a result of the new commercial practice: According to OKGT data, considering current prices the budget will be deprived of 42.4 billion forints in tax revenues due after crude oil, natural gas, benzine, gas oil and heating oil originating from the Soviet Union are imported.

It is difficult to assess other losses for the time being. Much depends on the evolution of world market prices and on the price to be agreed upon with the Soviet Union. The quality of Soviet crude oil is somewhat lower than the British Brent crude oil, which is regarded as the standard by the Hungarian party, therefore it would not be unrealistic to expect reaching an agreement specifying a price for Soviet crude oil, that is between 20 to 25 percent lower than, for instance, the current \$18 per barrel commodity market price of Brent crude oil. This, however, is only one of several opinions. Some experts in the oil business claim that next year the Soviets will strike deals with Hungary on the same basis as they deal with the West. At present, Soviet crude oil offers to the West specific prices that are \$1 lower than the commodity market price quoted for Brent oil. This amounts to a price that is lower than Brent oil by only five or six percents.

State Property Agency Begins Privatization Work

90CH0441B Budapest NEPSZABADSAG in Hungarian
28 Aug 90 p 5

[Article by Judit Kozma: "Vacated Enterprise Headquarters Will Also Be Nationalized; State Property Agency Begins Privatization"]

[Text] The Board of Directors of the State Property Agency plans to meet this week. The agenda includes debate over the cabinet's privatization program and the placement of a few enterprises under state administrative supervision.

In the framework of the first privatization program package they will debate the principles of changing ownership, and will designate a group of some 20 enterprises where privatization will begin. The fact that several industrial and commercial enterprises will change from a self-managing mode of operation to functioning under state administrative supervision has as its primary purpose that further privatization efforts be implemented as efficiently as possible.

The long protracted difficulties of Ikarus and Csepel Auto are well known. At this time we will mention only the fact that the two enterprises are awaiting a court decision to declare them insolvent. Thereafter a joint reorganization, rather than liquidation, will follow, since it would be impermissible to sell the undervalued assets of the two enterprises to outside owners at prices below the real worth of these assets. In the course of reorganization, the Bankruptcy Organization will first make bus manufacturing "more lean." Thereafter the enterprise, which is to be efficient by then, will be privatized. It will be necessary to place the two enterprises under state administrative supervision in order to enable the Bankruptcy Organization to appropriately guide these activities.

The rest of the enterprises involves the transfer of vacated enterprise headquarters under state administrative supervision. Ajka Glass Works established a low capital, partly foreign controlled limited liability corporation which leased the factory's real estate, machinery, and inventory. This took place under rather unfavorable conditions from the state's viewpoint.

Units of the Ganz Danubius Ship and Crane Works were operated under a corporate form since January 1989. Enterprise headquarters were vacated also in this instance, but in addition to this fact there is one additional reason for transferring the headquarters under state administrative supervision. Utilization of the island on which the shipworks are located has created a rather large storm thus far. It affects significant societal interests which justify particular attention by the government.

Conflicting interests which cannot be resolved by the enterprise council and several solvency problems justify the transfer of the Food Machinery Industry Enterprise under state administrative supervision.

For reasons of vacating enterprise headquarters, eleven commercial enterprises will be placed under state administrative supervision, according to plans.

Science Policy: Newly Appointed Chief Interviewed

90CH0434A Budapest NEPSZABADSAG in Hungarian
27 Aug 90 pp 1, 8

[Interview with academician and new National Technical Development Committee Chairman Erno Pungor by V. Gy.; place and date not given: "Research Should Not Be Separate From Industry"]

[Text] Despite the fact that Hungary is a small country, its people possess a substantial amount of intellectual and scientific values. Perhaps we should say that the people could possess such values, because these values do not manifest themselves very well in terms of Hungarian scientific research and the state of the economy, and reveal themselves to an even lesser extent through the industrial structure and production. Many have

addressed this contradiction during the past decades and urged changes. These statements produced little results. We asked one of these critics to express his opinion. He is Academician, Budapest Technical University professor Erno Pungor, an expert of international acclaim. The cabinet appointed him to become chairman of the National Technical Development Committee.

[V. Gy.] Professor, I believe that the problems enumerated earlier still exist, but the circumstances are in the process of changing as a result of the change in the system. What could we expect to see as a result of these changes in research and development, production, and in the relationship between the two?

[Pungor] Quite naturally, the economic and science policy we are to follow, and the mutual effects the two exert upon each other determine the future to be realized under market conditions. In this regard one must count on the joint effects exerted by several factors. In production for example, stringent requirements must be established with which the leadership can comply. One must accept risks—without which there are no profits, we must be informed on an international scale, and periodically we must be able to surprise the market by presenting some novelties. The latter represents the return link to scientific research and development. Hungarian scientific achievements cannot serve as the total innovation background for the economy, but despite their relatively low proportion, their significance is great: Without these the economy could decline into a colonial status. This then is supplemented by the need to become part of international development so that we may introduce many technical novelties.

[V. Gy.] What are the tasks in Hungarian scientific research?

[Pungor] It is well known that far too often something else than research was pursued under the "research" label. Frequently we found the semblance of research—puttering, the way I called it, which produced no results. In my view the direction proclaimed earlier, so-called tracking research, is absurd. It is a game played by people unable to accomplish anything. A certain part of real research results may be used for purposes of innovation, but careful selection must be made as to which projects should be turned into target research projects. These amount only to a small percentage of all research, but they may produce extra profits if we are able to sell the results.

[V. Gy.] Assuming that Hungarian industry is prepared to accept innovation.

[Pungor] The Hungarian industrial structure must be transformed. Megalomaniac large industry can no longer be sustained; only with small and medium-sized plants, combined with the workings of large industry, will we be able to become competitive. Assistance in the form of state intervention must support the transformation, so that small and medium-sized plants have an opportunity to acquire know-how. And insofar as the survival of the

remaining large industry is concerned, market-sensitive industrial development must be accomplished.

Anyone who makes an effort and takes a look at the last National Association of Manufacturers [GYOSZ] statistics of 1948 will learn that in Hungary between 96 and 97 percent of industry consisted of small and medium-sized plants. In developed countries this ratio remained the same to this date. In Japan, for instance, the present ratio is 99 percent! These plants are active, most of them are capable of performing parts of functions. But being active was not characteristic in Hungary, domestic large industry hardly developed because it was confident that the earlier situation—the CEMA market—will survive.

[V. Gy.] What will be the fate of industrial research institutes?

[Pungor] It is no coincidence that at present these institutes experience difficulties. Sooner or later the separation of industrial research institutions from industry itself will take its revenge, just as it happened here in Hungary. The two should coexist, instead of separating them. We must by all means use the intellectual capacity accumulated in research institutes. These institutes should take part in cooperative processes of global proportions. Even at this point many countries come to us with offers, but there is a lack of receptiveness on the part of Hungary. This may be explained by the fact that only a few are familiar with the offers, some are afraid of the offers, and on top, there are gaps in communicating Hungarian achievements.

[V. Gy.] The problem is most likely related to the situation of high level researchers in Hungary.

[Pungor] Researchers will choose workplaces based on two fundamental considerations. First: will he and his family be able to make a living from his salary? Second: will his working conditions be appropriate? We must take firm steps and support evolution lest we are prepared to incur a substantial loss in this field. The salaries of researchers who show results must be raised. Moreover, such raises must be made to the detriment of those unable to kick the ball. The game of equality must not be sustained.

[V. Gy.] In earlier days you underscored the necessity of structural change in higher education. What do you regard as most important at this time?

[Pungor] At present I regard as most important that more people acquire fundamental knowledge without which no modern society is able to exist today. A multistep training process must be introduced in universities. The first step would involve three years of basic education, followed by a two year curriculum for those who show outstanding results, and an elite curriculum, leading to a doctoral degree, for those who show truly outstanding results. A professional corps of people capable of becoming entrepreneurs in the scientific field must be developed. It is no coincidence that the famous science parks of the United States evolved around two

large university centers, and that these places produced lead technology. A science park program announced a few years ago in Hungary did not turn out as expected, because they wanted to copy the existing parks. In addition, neither the intellectual condition—the so-called scientific input—nor the industrial demand—innovation output—existed. This is not what needs to be done. Instead of science parks we should think of establishing small innovation blocs next to our basic research bases where serious results are accomplished year after year. These innovation blocs would take advantage of that small percentage of basic research which presents opportunities to innovate.

On the other hand, it would be useful to put topics of Hungarian research to test on an international scale, to subject these to international critique. I would go one step further: Before anyone is appointed to become a university professor or docent, it should be mandatory that such person's professional abilities and suitability be examined by an international jury. Along with this, a Hungarian evaluation would also be necessary in regard to the preparedness of such persons to lecture and their human conduct. The outlook by which we support "our own"—abandoned throughout the world—must be discontinued by all means. Finland's position in the scientific field is more or less the same as ours. There, competitive applications for university professorial or docent positions are commented on by experts from three countries which have been requested to do so.

[V. Gy.] Returning to the matter of innovation which you heavily underscore: Innovation presumes a change in the product structure, at the same time, however, a good part of the Hungarian industry has become unsophisticated.

[Pungor] The CEMA market made part of Hungarian industry accustomed to this. A qualitative change is unavoidable, nevertheless we must keep one matter in mind: We must continue to pay attention to the markets of socialist countries, for which international competition is on the increase. I would regard as abnormal if we, who have an insight and experience in this field, would suddenly abandon these markets.

In this relation let me note that the conditions for quality control in Hungary must be put in order. We must establish a grading system commensurate with European standards. In addition we could bring back the old practice by which the Chamber of Commerce is able to revoke the right to export from firms which deteriorate the market. This would exert a favorable effect on the level of product quality.

[V. Gy.] What kinds of organizational solutions do you have in mind for scientific centers, within the relationship between universities and industry, for example?

[Pungor] It would be inconceivable for researchers not to have knowledge about the everyday problems of industry. These should be of interest to them. For years I have been urging that persons with outstanding ability be drawn into enterprise planning and development at large industrial

plants. In the West we find scientific councils functioning alongside company management, including even international scientific experts able to inform managers of most recent scientific achievements, thus providing continued education in the course of consultations. Introducing this practice in Hungary is indispensable, because it enables the resolution of problems which cannot be resolved within the given framework of an individual company. In addition, the scientific institution to which a given member of the scientific councils belongs, benefits financially.

In summary: the organization for Hungarian scientific research may consist of the institutions which remain under the Academy, and of a modern higher education system. Just one final remark to this: As early as 1965, a standard not since observed was established. That standard established a requirement according to which only persons pursuing serious research and development activities may teach in institutions of higher education. This standard must be enforced.

List of 33 Enterprises To Be Sold

90CH0441C Budapest NEPSZABADSAG in Hungarian
29 Aug 90 p 5

[Unattributed report]

[Excerpt] [passage omitted] ARDEX Bio-Production Company, Baranya Country Fruits and Vegetable Enterprise (Zoldert), Bekescsaba Cannery, Cegled State Farm, Compack Commercial and Packaging Enterprise, Debrecen Industrial Conservation Combine (DEKO), Forest Products Enterprise, I.G.A. Consortium, Nagyatad Cannery, Nagykoros Cannery, Vegetable Oil and Laundry Products Manufacturing Enterprise (NOMOV), Nyirseg Cannery, Nyiregyhaza, Szamospart State Training Farm, Tolna County Grain and Milling Industry Enterprise, Torokbalint State Farm, Nyiregyhaza Fruits and Vegetable Enterprise (Zoldert), Balatonboglar [as published], Egervin, Hosszuhely [as published], Hungaroviin Bakony Works, BOTA Electronics, BRG Mechanics Enterprise, Comtech Applied Computer Technology and Electronics, EGSZI, Szinva, Miskolc, Elekthermax Industrial Instruments Works, Iklad Industrial Electronics Joint Enterprise, MEV Hybrid Development Factory unit, MEV Semiconductor Factory, Precision Remix Radio Technology Enterprise, SZKI Computer Technology Research Institute and Innovation Center [passage omitted]

YUGOSLAVIA

Restructuring of Montenegro Banking System

90BA0312A Belgrade BORBA in Serbo-Croatian
29 Aug 90 p 5

[Article by D. Vukovic]

[Text] After long years of seesawing back and forth, yes I will, no I will not, Montenegro banking has mainly

grouped itself together in a single bank, "Montenegrubanka." Twelve of the sixteen basic banks that existed in Montenegro up until the end of last year have entered the new bank, and the one in Kotor, the one in Herceg Novi, and Jugobanka have become branches of Jugobanka from Belgrade. At present, the only uncertain future status is that of the basic bank of Pljevlja, since it is not consenting to enter Montenegrubanka, and Beobanka is mentioned as a possible "port it might agree to." The people from Pljevlja are quarreling with the republic because 60 percent of their economy passed into the hands of the state in the act of establishing public enterprises. Now you want to take even the bank away from us! They have been reacting with disgust in that opstina.

The advantages of centralized bank capital and of unified money flows in Montenegro have been emphasized for almost an entire decade, but only the coercion of the market has been sufficiently convincing. The losses because of the scattering of capital and its subordination to the local political will have been rather large, as is suggested by the datum that between 100 and 200 million dinars were always lying idle in the 16 basic and so-called functional accounts. Veselin Babic, general director of Montenegrubanka, estimates that the loss was equal to the value of two factories a year, that each would have furnished 100 jobs. Of course, even this has not been the only negative result of the fragmented banking industry.

The new organization of Montenegrin banking has made it possible to eliminate those adverse effects and capital will be more functional; a new division of labor and specialization is now possible. One of the first moves along this line is to establish a branch for small business and agriculture. The general director of Montenegrubanka says that many new things are being planned which up to now have not existed in Montenegrin banking. The information system will be unified, and preparations are now being made to establish a stock

market. It will be a joint stock company in which Montenegrubanka will have the controlling block of stock. All the necessary decisions related to it will be made by the end of October, and by the end of the year the entire procedure is to be completed and the exchange will go into operation. He did not dispute that there are dangers as well as advantages from the consolidation and centralization of banking, but he hopes that nevertheless they will avoid the traps of the poor organization of the management of a large bank.

Since banking has been reproached among other things for employing too many workers, we asked director Babic what will be done in Montenegrubanka. Of the 1,260 workers who are now employed in the newly formed bank, 400 have higher education in various fields, but as for the relevance of that knowledge and attitudes toward work, Babic says that the situation is poor. One primary contributing factor to that situation has been the system that prevailed until recently of employment relations and disposition, he told us, adding that there are honorable exceptions represented by very able bank personnel. Further schooling will be necessary for the elite to emerge out of this large number of employees. There should not be a surplus, since redistribution of jobs is coming up. Provided, of course, that people equip themselves for the new jobs.

Babic judges the financial condition of the Montenegrin economy to be bad. As soon as the additional sources of money dried up (the foreign loans and primary note issue), there were great upheavals in the socialized sector of the economy. Enterprises have large losses, and the encirclement is closing around the poor ones, and frequently those poor ones are pulling down even those who are worth something. A sizable number of large enterprises is practically on the verge of bankruptcy, and it is not evident how they can continue with reproduction. The only chance, Babic says, is for the economy to prepare itself as soon as possible for the entry of private and foreign capital.

GERMAN DEMOCRATIC REPUBLIC

Investigator Recalls So-Called Crime-Free Society
90GE0275A Munich SUEDDEUTSCHE ZEITUNG
in German 25-26 Aug 90 p 3

[Interview with Detective Superintendent Bernd Merbitz by Stephan Lebert, Leipzig, Aug 90: "Investigations Into the Shadows of the Past"]

[Text] Bernd Merbitz of the homicide investigating squad immediately remembered this man who, together with others, demonstrated on the roof of the Leipzig prison for a few days. That was the man who had hanged his own mother naked and with feet pointing upward from a gambrel and had actually butchered her. At that time Merbitz had proved the guilt of this murderer, who was then sentenced to life imprisonment. And now the murderer stood on the roof and, together with some prisoners, protested among other things that he was unjustly imprisoned because he was convicted by an unjust regime. Since the prison is opposite the offices of the criminal investigation department Bernd Merbitz was able to observe the prisoner revolt day by day from his office at the end of July. He also saw the GDR minister of the interior, Peter-Michael Diestel, himself climb on top of the roof and talk with the rioters, including the murderer. "I don't know whether Diestel promised them anything. At any rate after that the riot stopped," according to Merbitz. He tells this story without any emotion, without criticism, without bitterness. Bernd Merbitz acts like a person who has decided to accept things as they are in the new climate.

The Old View of Life

The policeman has headed the Leipzig homicide investigating squad for four and one-half years. His team comprises eight detectives, a secretary and a medical examiner. Like all his staff members Merbitz resigned his SED [Socialist Unity Party of Germany] membership after the change. Until this March the ranks of the policemen corresponded to those in the army; thereafter they adopted the rank designations of the FRG police: Merbitz was a major, now he is a detective superintendent. He earns DM1,700 a month, "on account of the taxes," as he says, that is now DM300 less than before the currency union. There are also a few rather superficial changes: In his small office there is a video recorder which he received from the abolished office of the Ministry for State Security in Leipzig; calendars and note pads of West German companies as well as the FRG criminal code are on his desk. Only the cleaning women have not been coming for some weeks because they are no longer being paid. "That's not bad, the detective superintendent says, "we do our own cleaning."

The homicide investigating squad has the task to solve capital crimes, crimes that really should never have been permitted to occur in the GDR's actually existing socialism: the eight to 10 murders a year, the sex crimes,

serious bodily injuries with fatal result, the numerous cases of child abuse, the kidnappings. "Official criminal statistics did not exist in the GDR," according to Merbitz, "and the newspapers were also not permitted to report on that. And I would never have been permitted to mention the topic of child abuse in front of a superior. Officially that simply did not exist."

Merbitz holds in his hands the book *Sozialistische Kriminalistik* [Socialist Criministics], so-to-speak the bible of all GDR detectives. It was written by Ehrenfried Stelzer, a professor at the East Berlin Humboldt University. Merbitz says that now he himself finds everything that is in there to be a little funny, "it is almost painfully embarrassing to me." But, he says, that was once the view of life that, he adds, "is now completely and finally destroyed." The book with the turquoise cover includes the statement: "Just as in all other spheres of life, socialism proves its principal and real superiority over capitalism also with respect to crime. In contrast to the bourgeois criminologists, Marxism-Leninism sees crime not as a product of inherent predisposition...but as a social phenomenon arising from the antagonistic class society...which in communist society is completely eliminated." Further it is stated: "The ideological toughening of man enables man not to commit any antisocial act and even less any criminal act." And State Security chief Erich Mielke is quoted in this book with the warning that the only danger for the socialist fight against crime consists in the fact that "the subversive activities of imperialism are being increasingly disguised as general crimes."

But for Bernd Merbitz and his people there was not only the ideology but also everyday life. That led the policemen, for example, to the North Street district, to Leipzig's prostitutes, to the prostitute scene with pimps and johns. Yes, that was and is also a GDR reality. The rate of a prostitute is around DM50. A bad problem, according to the detective is the fact that the women who become prostitutes are getting younger all the time, some are not even 16 years old. Nothing has been done against prostitution, he says. But murders take place time and again in the North Street district. An older murdered prostitute was discovered only recently. "We often have to go to this district. We know every house there, have been in all of them. It is unbelievable how dirty and miserable these places are. That is dirt at its worst," says Bernd Merbitz. Whenever he had to investigate here he always removed his party badge, which had to be worn on duty, from the lapel: "A visit to a prostitute in the name of the party simply could not be done." But what amazed him were the many cars with Western license plates which were seen here even before the change: "Did they perhaps come here on account of the low rates?"

There was also a certain series of murders in 1984. At that time Merbitz was not yet the chief of the homicide investigating squad; he took over these cases from his predecessor, none of them has been solved as yet: the two very young girls, presumably victims of sex criminals;

the murdered homosexual; the strangled prostitute. Merbitz describes the problems during the investigations: "That was often very difficult for us also because we were never permitted to appeal to the public for cooperation. A few neighbors could be asked, an unobtrusive note could be posted in a store. But here, too, it was only permitted at most to speak generally of a 'criminal offense.'"

And then there were these many hundreds of people in Leipzig Bezirk alone who were subject to Section 48 of the GDR penal code. These were women and men who had been convicted several times without further recourse to appeal and on whom various restrictions had been imposed: They had to change their place of residence, were under no circumstances permitted to live in East Berlin, the showplace capital; no work was assigned to them; they had to report to the police several times a week. "It was an unwritten law," according to Merbitz, "that after a crime was committed, the search started in this group of people. In most cases the results were not very great." Now, he says, he thinks differently about these people subject to "Section 48." Now he also knows that they really lived like in an "open internment camp." Prior to October 1989, didn't he ever think that perhaps also political cases were involved here? No, he says, actually not. But now he can recall some stories that had surprised him, too. For example, there was a young woman who had committed suicide. "When I checked her papers I could not find anything at all about what crime she was supposed to have committed. But that was only a brief thought."

Bernd Merbitz says he has never really been a resistance fighter. "There are many people here who want to claim that belatedly. I don't do that." He is the son of an SED kreis leader; he decided early on to join the police. He still recalls that as a young man he worked as a waiter at an SED festival. There, on the one hand, he found it disgusting what the ladies and gentlemen ate and drank (without having to pay for it), all items which an ordinary GDR citizen could never get. "But, on the other hand, one thing was certain for me that I, too, wanted to make it and celebrate at such festivals, and that I would like to have such privileges."

Merbitz rose rapidly in the police: ordinary policeman on patrol, constable, officers school. He was the only one in Leipzig who passed the examination for political scientist with the top grade. Finally he became the head of the homicide investigating squad. He is now 34 years old. Thus he had made it. He was not bothered very much by—as he puts it—the brief moments of doubt. Why, he asked himself very quietly, am I not permitted to read any criminalistics literature from the West, yes not even from the Soviet Union? Why am I permitted to participate in a German-German symposium for forensic medicine in Leipzig but only under the express condition that I do not ask to speak under any circumstances? Why did it have to be absolutely concealed that of the 500,000 Leipzig residents about 300 commit suicide very year? By comparison: In the city of Munich

with 1.2 million inhabitants there were 251 last year.) As I said, Bernd Merbitz asked himself these questions only very quietly.

For him, the success type, it is an entirely new experience that he must suddenly be afraid of losing his reputation. He belongs after all to the police, thus is a representative of this state for which now almost all have nothing but hatred. Perhaps for this reason Bernd Merbitz again and again mentions in the conversation that he always wanted only to help the people in the GDR with his work. Thus he describes how he solved the murder of a girl in a children's home as he had promised the children: "I am going to find the murderer." He was applauded when he caught the murderer and a child made a present of an orange to thank him. "I can always visit this children's home," he says. "There I am appreciated, they know who I am."

As chief of the homicide investigating squad he was lucky, he says "for murders are a clean business, there is nothing political about them." Merbitz sits in his office and points to a chair in front of his desk: "Of course, now and then people from the MfS [Ministry for State Security] were sitting there. They were unbelievably arrogant, they believed they were the greatest. But they did not want anything from me, practically I was of no interest to them." It was a rare matter when a case had to be turned over to the MfS, he says. "Once an emotionally disturbed nurse killed a number of newborn babies. The MfS took over the case and they did good work." Of course in his department and with his superiors there were MfS informers, "they were known and they are now gone." In general, he says, he is glad that he had nothing to do with "border offenses": "In that respect I am sorry for the policemen who were involved in that. They also only followed orders. After all an order is an order. This law is absolutely necessary in every state."

Nevertheless in the summer of 1990 the shadows of the past are part of the everyday life of the homicide investigating squad. A woman believes that her husband's death in an accident some years earlier was not accidental but that he was killed by the MfS. "An MfS lieutenant colonel was working on this matter at that time," Merbitz says, "I interrogated him now. He is a deeply embittered man who, in the meantime, is working as a printer." Another woman tells a story from 1953: Her husband was picked up one day in connection with the 17 June uprising; a few days later she was informed of his death and she was never informed of the exact cause of his death. There are reports that in the psychiatric clinic in Waldheim near Leipzig torture, rapes, and murders were committed in recent years, all cases now to be investigated by the homicide investigating squad. Bernd Merbitz does not want to judge these events. He says: "We are going to handle these cases purely criminally and completely objectively."

In general, Bernd Merbitz says, he looks to the future with great optimism and looks forward to the "new work in the new society." When he speaks of the achievements

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of his department, he sounds a little as if he wants to send off job applications to the FRG police right away: All those working with him are specialists; every murder during the past 4 years has been solved ("that included tough nuts to crack"); an excellent forensic medicine institute is available and with respect to criminal investigation technique "we are a match for every West German criminal investigation department." The initial contacts with FRG detectives from Hannover and Munich were "very pleasant," he said. The first cars for officials use from the FRG ("fantastic things compared with our Wartburgs") have already arrived. "I have the feeling they will accept us simply because we are good." Of course there are still unanswered questions that make policemen unsure: Who will pay us in the new Germany? Are the policemen becoming civil servants; are all of them keeping their jobs? But Bernd Merbitz dispels these worries and instead says once again: "I am looking forward to the work with all the new opportunities. I am looking forward to my new state."

Not Even a Little Afraid?

Come again? In other words, nothing at all has remained from Ehrenfried Stelzer's teaching and his *Sozialistische Kriminalistik* (for which Merbitz after all had earned the top grade in his studies), of Stelzer's warnings against the diabolical all-destructive crime rate of the West? Not even a little afraid of the now undoubtedly increasing number of crimes? Undoubtedly, Merbitz says, the crime rate will increase. This is evident even now: "The cases of robbery and burglary have drastically increased, since money is constantly becoming more important. Everybody wants to have as much money as possible. And whoever does not earn it steals it." Undoubtedly, he says, drug crimes will be added "which we really did not have. According to our information, drugs are already in Leipzig. The hard crimes will soon become evident."

And does all that leave him completely cold? Merbitz says that when he thinks of his little son he is worried about it. But as a detective, no, not at all. "I have made my decision that I accept the new state, that I am going to serve it as a policeman to the best of my ability." And he adds: "I am convinced that the readjustment to the new state will come easier to people like myself than to the people who made the revolution last fall. These people will remain only outsiders in the future, too."

To adapt oneself to the new age. Bernd Merbitz tells about the son of the former People's Chamber President Horst Sindermann who headed the homicide investigating squad in East Berlin and in the meantime has, of course, resigned. Merbitz knows that Sindermann junior now manages a private detective agency, "equipped with the best technical refinements." But that is not his way, Bernd Merbitz does not want to get out, he wants to get used to the new tasks, even to contacts with the press. But sometimes the Leipzig criminal investigations department encounters surprises. In the past it had not been necessary to lock especially the autopsy room in the forensic medicine institute. But after a few days earlier a

press photographer of a tabloid tried to force his way in, the autopsy room is now being locked. Merbitz says, this time with slight irony: "Each age after all has its own laws."

HUNGARY

Fire Incident Rate Almost Doubles; Arson Related Property Loss Low

90CH0436A Budapest NEPSZABADSAG in Hungarian
30 Aug 90 p 5

[Article: "Representatives of the Past Prepare Themselves for a Counteroffensive"]

[Excerpt] [passage omitted] We also inquired at the National Fire Command: Has the number of fire incidents increased recently?

"The fact is that it has. In 1989, on a nationwide scale, a total of 14,082 fires were reported. Fire investigations revealed that of this number 699 were of incendiary origin. Fire data for the first half of this year is much worse. In the course of six months 12,800 fire incidents were reported, of these 452 were of incendiary origin. Part of these served the purpose of destroying criminal evidence, or resulted from family feuds. The unresolved incendiary cases could be politically motivated. Property loss related to these unresolved incendiary cases is rather low. Even the Mecsek forest fire which attracted great interest caused 'only' a 300,000 forint property loss. The fire service is unaware of large property loss incendiary fires in which industrial or agricultural facilities were destroyed."

POLAND

Bishop Comments on Role of Church Amidst Changing Political Order

90EP0833A Czestochowa NIEDZIELA in Polish No 29,
22 Jul 90 pp 1, 5

[Interview with Bishop Alojzy Orszulik, deputy secretary of the Polish Episcopate, by Reverend Ireneusz Skubis; place and date not given: "The Church in the New Situation"]

[Text] [Skubis] Since 4 June 1989, i.e., after the general elections in which the nation for the first time after the war expressed itself and rejected the Communist regime, we have a new picture of Poland. After the Tadeusz Mazowiecki government was formed and after the elections to the territorial self-managements, a new sociopolitical situation arose. In each of these stages of Polish transformations, the Church was present, not to rule but to help. In the new situation of the state and the nation, it seems that that situation of the Church is not an easy one. How do we today describe the place of the Catholic Church in this general trend of Polish transformations?

[Orszulik] After the elections in June of last year there did indeed exist a new situation which neither the erstwhile opposition nor the erstwhile rulers anticipated. Above all, they did not expect the elections to turn out as they did and they did not think that the representatives of the ruling party would be gradually eliminated. Nor did anyone foresee that as a result of the elections such profound changes would take place, affecting the very principles of the political system. Neither the opposition nor the people in the previous ruling team expected that the government would be formed by the representative of the erstwhile opposition. It appeared that the Communists would retain at least the premiership, or the majority in the cabinet of this premier. Meanwhile, the changes in the political system went even deeper. The PZPR [Polish United Workers Party], which had ruled the country during the entire postwar period, fell apart as a political force and had to leave the country's political scene.

A period of deep reconstruction of the political, economic, and social systems began. The country, which Tadeusz Mazowiecki and his team is now ruling, was and still is in a very difficult economic situation. During the past year some very important changes were made which have already become law, therefore these are not just changes in the form of political declarations. After all, work is underway on changing the fundamental law—the constitution.

[Skubis] How is the work on the new constitution going? Is the Church taking part in it?

[Orszulik] The constitution which exists today differs basically from the constitution which existed last year in June or even in July, because the Sejm introduced many changes into it. Work is beginning on a new constitution. The Episcopate has also been invited to join in this work by participating in the Sejm constitutional commission as well as the senate constitutional commission. The church is primarily interested in matters of civic freedoms, including religious freedom and the text on the provision on the relationship of the state to the Catholic Church and the constitutional guarantee of the teaching of religion in the schools. The constitution should be a normative act, not a declarative act. It especially should defend the innate and untransferable rights of the human being, the human community, and the community of the citizens of the state. The innate rights should be expressed in the following order: life, health, dignity, freedom of thought, freedom of action, and development of the individual. Thus the constitution must guarantee the right to life from the moment of conception, and protect the personal inviolability and safety of each individual, guarantee the right to a good name, provide equality under the law, and provide the right to a legal defense by a state organ. It should also guarantee freedom of conscience and religion, and the freedom to manifest and practice, individually and together with others, publicly and privately, a professed faith. It should give the right to full participation in the nation's culture, the right to freely move about within the territory of the

state and to choose a place of residence, and the right to freely leave the territory of the state; it should guarantee the right to ownership and guarantee this ownership, the right to undertake and conduct economic activity under the same rights applying to all citizens, the right to work and the freedom to choose a place to work. Finally, the constitution should guarantee the right of parents to bring up their children according to their own beliefs, particularly the right to take lessons in religion in the school. Such is the position of the Episcopate.

[Skubis] What constitutional guarantees are needed to regulate Church-State relations?

[Orszulik] The constitution should regulate this problem also. We are opposed to repeating the principle of the division of the Church from the state as stated by the Communists. In practice, it was implemented as the domination of the state over the Church. If we should talk about a division of the Church from the state at all, then we should also talk about the division of the state from the Church. The Communists recognized only a one-sided division. Therefore, in all fields they wanted to subordinate the Church to them and lock its activities in the sacristy. Obviously, the Church is not in favor of a religious state. On the contrary, it has to be strongly emphasized that the Church and the state are sovereign communities, independent of one another. That does not mean that both these communities cannot work together for the good of these same citizens.

[Skubis] What is the role of the Church in this new situation?

[Orszulik] The Church must always be itself. The pastoral constitution *Gaudium et spe* says that the Church can join with no political system, nor can it become connected with any political party. Hence, despite the changing conditions, it must remain what it is, and while maintaining its own identity, perform the three basic functions: educational, sacerdotal, and pastoral. The educational function consists of prophesying the message of the Gospel and with the help of this message, changing the temporal order. That is the task of the Church, perceived both as a hierarchical structure and the nation of God.

[Skubis] But we now hear that the Church has begun to rule. Some representatives of the present authority are being accused of being clerical because they are seen attending mass, are taking part in processions, and are maintaining correct relations with the church hierarchy. Could you say something about this?

[Orszulik] Lay Catholics taking state offices must remain themselves. By the fact of their holding political or state posts they do not cease to be sons of the Church. The Communists "pounded" it strongly into our heads that religion is a private matter and it should be reduced simply to a man-God relationship. Yet religion has a social dimension. It cannot be cast out of public life and restricted only to the silence of one's private residence.

Treating practicing state officials as an unusual phenomenon is an absolute miscomprehension. The use of the concept "clericalization" in this case is an error.

I think that people simply do not understand this concept. All it takes is a few priests to appear on television and already some people talk about the clericalization of television. What clericalization means is the participation of the clergy in the government or helping someone in his striving to this government. Meanwhile, the Church wants no part in the government of the state, nor does it want to support anyone in striving to this government. That is not the task of the Church. Those Catholics who have become public persons are doing so on their own. Similarly, the clergy who are speaking out as citizens (to which they have a right) are doing so on their own responsibility. I personally believe that the clergy should not become involved in the political activity of any side, because it may bring about a split in the faithful.

[Skubis] What, then, is the new task of the Church?

[Orszulik] The Church should fulfill the mission which is proper to it while remaining in close contact with the nation. The work of the Church in behalf of the nation is seen primarily in activities dealing with moral rebirth. It is my belief that the Polish nation, from the moral standpoint, is very crippled due to the domination, for decades, of communist ideology. The product of the domination of this ideology is a confusion of concepts, in the area of morals also. This is now giving rise to many misunderstandings, e.g., people declaring that they are believers while at the same time they are publicly (on television, radio, or in the press) expressing their opposition to the introduction of the teaching of religion in the schools. They do not understand that religion is not a private matter, that we cannot continue to maintain the division, created by communism, between upbringing in the school, in the family, and in the Church.

[Skubis] I was about to ask you to talk about the return of religion to the schools. In speaking about the role of the Church in the new situation of our Fatherland, we have come to the matter of the return of religion to the schools. I would like to ask you to give us an example in Europe where these matters have already been regulated.

[Orszulik] From the standpoint of religious makeup, Poland is similar to such countries as Italy, Spain, Austria, Portugal, and the countries of Latin America. I refer to the provision of the concordat concluded in 1979 between the Apostolic See and Spain. In this concordat it is written that the historical, artistic and documentary legacy of the Church is one of the most significant components of all of the nation's cultural assets and for this reason cooperation between the Church and the State is warranted, so that, carefully preserved and expanded, it may serve and bring benefit to all of society. The matter of teaching religion in the schools is also regulated in this context. Article 1 of the concordat reads

as follows: "In light of the principle of freedom of religion in upbringing activity, the basic right of parents as to the moral and religious upbringing of their own children in the school will be respected. In every case, the upbringing given in the public schools will respect the value of Christian ethics." I do not understand why there could not be such a provision in the Polish laws. I will quote also from Article 2, which states that "in all upbringing centers, therefore in the preschools, primary schools, high schools, and trade schools, for students of the same age, upbringing programs will include the teaching of Catholic religion under conditions equal to those of other basic subjects. In view of respect for freedom of conscience, the above-mentioned teaching of religion will not be compulsory for students. But it will always be made available in school."

[Skubis] Those are clear statements. But before we obtain such legislative guarantees in Poland, talks are underway on this subject, conducted by the Joint Commission of Representatives of the Government and the Episcopate. What is the status of these talks?

[Orszulik] I would first like to mention the report from the Joint Commission's last meeting. At the 27 June meeting we decided that a working team will be formed, made up of representatives of the Ministry of Education and the Episcopate, for the purpose of working out the rules based on which the teaching of religion will be gradually introduced into the schools in Poland. This means that Polish laws will have to be changed. This means that in the first stage we have to introduce the teaching of religion with all of the consequences that this entails, as permitted by the laws currently in force. In the next stage, these laws have to be changed to adapt them to the realities of our society.

In the past the Polish school was a state school, at times not respected by society. This was due to the fact that the state was regarded as being communist or atheistic. That is why the people did not want to identify with the state. During the entire upbringing process, we should strive to have the citizens identify with their state, because it is a common good.

[Skubis] Practically speaking, when will the teaching of religion return to the Polish schools?

[Orszulik] The teaching of religion cannot be begun in all schools in September of this year, because there are schools which operate on two or three shifts and this will be technically impossible.

[Skubis] How will the catechism halls be used in the context of the needs of the school?

[Orszulik] On 17 May 1990, the representatives of the Episcopate at a meeting of the joint commission, declared that catechism halls which are suitable for classroom work can be made available for the usual school classes, in order to take the load off the school buildings. In case of need, we want to assign even entire church buildings for the use of the schools.

[Skubis] Who will pay for the teaching of religion in the schools?

[Orszulik] Certainly at this time the Church will not demand payment from the school for the lessons on religion conducted by priests. The problem is open and the details are to be worked out by the above-mentioned working team in the joint commission.

[Skubis] At this point we should call attention to the currently bad financial situation of the Church, caused, among other things, by the impoverishment of society, which, in turn, means less income for the parishes. In view of this, will the Church be able to pay for lay catechism teachers?

[Orszulik] At the beginning we will probably have to ask lay Catholics to volunteer their services in the teaching of religion. Maybe we will have to appeal to the faithful to help pay maintenance costs. But after all, the crisis will not go on forever and in the future the matter of paying teachers of religion in the schools can be regulated differently.

[Skubis] But do you not believe that since the Catholics are paying taxes into the State Treasury, the education authorities should give money to pay the religion teachers?

[Orszulik] Actually it should be the same as it is in all countries where religion is taught in the schools. The Episcopate's representatives are not bringing up the problem of paying the priests right now because they understand the difficult financial situation of the state as well as the Ministry of Education.

[Skubis] In concluding this subject, I want to ask just one more very important question. How do we assess the fact that Catholics are speaking out against the introduction of religion to the schools? Even some Catholic periodicals are publishing articles which express the negative position of believers on the Episcopate's decision.

[Orszulik] I think that on the one hand it has come to be generally believed that there is an excellent network of catechism halls in Poland; but this is an absolute myth. Catechism halls did not begin to be built until the late 1970's. Prior to that the Communists did not permit the construction of catechism halls. Teaching of religion took place primarily in the church or the presbytery, or simply in private homes, sometimes under very crude conditions.

The present attitudes, as I already mentioned, have been influenced by the thesis, instilled by the Communists, that religion is a private matter and that a child is brought up better when it is taught religion in the church than in the school. In addition, the opponents of religion in the school forget that if another educational system is accepted in the school than in the family and the church, then the effects of religious and moral education in the family and in the church are practically thwarted. I do not wish to even mention here the difficulties that

children have each week when they have to go to one school for their regular studies and somewhere else for their religion lessons. This is especially hard for children in parishes which cover a large area. These children have far to go to school and to church, and the priest cannot come to them because he is not able to serve so many small groups. In these cases for practical reasons the problem will be solved when the priest comes to all of the children in the school.

[Skubis] Speaking of the role of the Church in the state's new situation, we cannot overlook the relationship of the hierarchy to the Catholic associations and organizations which have an enormous influence on shaping the life of society.

[Orszulik] The canon law code states the rules clearly. Lay Catholics have the right to organize into associations. This right was almost impossible to exercise until last year because the Communist authorities did not allow the formation of Catholic associations or church associations. As a result of negotiations between the old Communist regime and the Episcopate, a law was prepared on the relationship of the state to the Catholic Church, which guarantees lay Catholics the right to assemble. The law on associations, passed in 1989, also guarantees this.

The Church cannot execute the tasks that I mentioned, such as deepening the faith and moral rebirth, with the help of the clergy alone. It must reach out to the organized lay groups, and that is why I was and am a fervent advocate of the creation of Catholic organizations. I was one of the initiators of the formation, in Warsaw, of the Catholic Academic Youth Association (SKMA) in 1988. In many dioceses there are already Catholic Associations of Academic Youth. In the Plock diocese, for example, a Catholic Families Association was formed. Last May the Episcopate Conference resolved to create a nationwide Catholic Youth Association. We would like it if the priests would encourage the faithful to form Catholic organizations. Naturally, the lay people are to form the organizations and associations. It would be the priests' task to teach the lay people about the rights to which they are entitled, both from the standpoint of canon law as well as state law.

[Skubis] Are you not afraid that the priests are not prepared to work with the organized laity?

[Orszulik] I think that there is no longer any such danger. That was a problem even a couple of years ago, when the lay people understood their mission to be to reach into the church pulpits. Often it seemed that they wanted to take the place of the priest. The clergy, on the other hand, were afraid that this would cause trouble with the political authorities and preferred to work with unorganized groups. I think that the priests will have to learn to work with the organized laity, but the organized laity will also have to learn how to work with the priests.

[Skubis] Associations are appearing which refer to their connection with the hierarchy but actually have little in

common with the Church. It is even said that in their assumptions they include, for example, anti-Semitic elements.

[Orszulik] I do not know even one association which has the adjective "Catholic" in its name and is at the same time anti-Semitic or its program includes anti-Semitic elements. An association, in order to be called Catholic, must submit its statute to the local bishop for approval. I do not believe that a bishop would agree to or approve such a statute if the association contains anti-Semitic elements. This would be in conflict with the entire council doctrine.

[Skubis] I would like to take the opportunity to bring up a serious problem. More and more we hear comments on the appearance of Polish anti-Semitism. It seems that there are people who believe that Poles are really anti-Semites. What can you say on this subject?

[Orszulik] I think that the problem is being artificially overblown. Some people obsessively see Jews everywhere, and particularly in the circles of government. In turn, the Jews, without basis, see anti-Semitism in the attitudes of the Poles. There are certainly instances of some kinds of anti-Semitic behavior which I believe deserve to be deplored as an expression of the foolishness of the culprits committing these deeds. I think these things are done by young people as a bad joke and they are taken seriously by people as an expression of the moods existing in the entire Polish nation. If elements of anti-Semitism were to really appear, then the Church will always grieve over this and fight it.

[Skubis] I wish to take the opportunity during this interview to ask about some other important matters, e.g., the plans pertaining to a new administrative division of dioceses in Poland.

[Orszulik] The council decree *Christus Dominus* states that the episcopates should conduct a study on a new administrative division in a given country. The Holy Father reminded the Polish bishops of this decision during their *ad limina* visit. But as yet no study commission has been officially appointed, although many bishop ordinaries talk about the need for a new administrative division. This is not a simple matter, especially now, due to economic difficulties. There still is no formal study commission, but the matter is on the agenda of the Episcopate's conference.

[Skubis] I would like for a moment to focus on you personally, Reverend Bishop. People are cognizant of your enormous significance in the public life. Many times you assumed the role of mediator on behalf of the Church, conducting official and unofficial talks with various public personages. It is generally believed that you do very well in the political arena. Hence my question: With whom did your talks go better, with the Communists or now with the new authorities?

[Orszulik] The two are completely incomparable. The talks with the Communists were on different topics than what we are now talking about with the representatives of the present government. The talks are much easier now because we generally accept the same system of values, or vision of the person, and even the state. However, I remember the years of my work in the Episcopate's secretariat in the past. This was always a conversation not between partners, but between a morally devastated representative of the church and a representative of an overbearing, arrogant authority. In going, for example, for a talk to the former Office of Religious Affairs, or to some other ministry, a person was always full of fear.

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